

THE ECONOMIC AND ENVIRONMENTAL BENEFITS OF NEW WATER STORAGE IN THE SAN JOAQUIN VALLEY

OVERSIGHT FIELD HEARING

BEFORE THE
SUBCOMMITTEE ON WATER AND POWER
OF THE
COMMITTEE ON RESOURCES
U.S. HOUSE OF REPRESENTATIVES
ONE HUNDRED NINTH CONGRESS
FIRST SESSION

Saturday, June 11, 2005, in Fresno, California

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OVERSIGHT FIELD HEARING ON “THE ECONOMIC AND ENVIRONMENTAL BENEFITS OF NEW WATER STORAGE IN THE SAN JOAQUIN VALLEY”

Saturday, June 11, 2005
U.S. House of Representatives
Subcommittee on Water and Power
Committee on Resources
Fresno, California

The Subcommittee met, pursuant to call, at 9:05 a.m., at Satellite Student Union, California State University - Fresno, Hon. George Radanovich (Chairman of the Subcommittee) presiding.

Present: Representatives Radanovich, Napolitano, Cardoza, and Costa.

Mr. RADANOVICH. Good morning. My name is George Radanovich, representing the 19th District in California, and we are calling into order the Subcommittee on Water and Power hearing to discuss the water needs of the San Joaquin Valley. And I want to thank you all for being here.

Before we begin, I want to introduce a very good friend, Pastor G.L. Johnson of The People's Church here for today's invocation. G.L., good morning.

[Invocation in English.]

Thank you, Pastor.

And I would also like to recognize Deacon Salvador De La Torre of St. John's Cathedral for today's Spanish invocation. Deacon—which, by the way, my father went to St. John's when he was a little boy, so it is good to have him here. Thank you.

[Invocation in Spanish.]

Thank you, Deacon.

I now recognize the Boy Scout Troop 982 to Present the Colors.

[Presentation of Colors.]

Thank you.

I now recognize Second Lieutenant Timothy Skypeck of the U.S. Air Force to lead us in the Pledge of Allegiance.

[Pledge of Allegiance.]

Thank you, sir.

Now, aside from being here for this most important hearing, you are in for a real treat today, because I have the privilege of introducing Mr. Henry Lemay of Fresno to provide a patriotic song that serves as a great tone for this hearing.

Henry is a Korean War veteran, who has received various medals and citations from his military service. He sings a cappella in a way—it is just wonderful. You will love it. Henry, welcome to the hearing, and Henry will be singing God Bless America for us.

Mr. LEMAY. What I would like to do is I would like to sing this verse one time through, and then once again through and ask your participation. Is that all right?

[Singing followed by applause.]

Mr. RADANOVICH. Thank you. Thank you very much. Thank you very much, Henry, and sorry I didn't get that last note but I sang along right with you on the rest of it.

[Laughter.]

I would like to thank everybody for—oh, one more—let us see, where is my script? I want to thank everybody for participating. Those that have, I would like to present you with a flag that has been flown over the Capitol as a token of our appreciation. I would appreciate it if you would come forward to receive those.

[Presentation of flags to recipients followed by applause.]

Before we commence, I would like to introduce and thank Dr. John Welty, who is the President, as many of you know, of California State University - Fresno. John, would you like to make a couple of comments, please?

Mr. WELTY. Thank you, and let me add my welcome to our congressional representatives and all witnesses who are here today for this very important hearing. It is especially a pleasure to welcome you to the Fresno State campus, where during the academic year about 22,000 students and over 2,500 faculty and staff daily engage in activities with each other that are designed not only to help prepare young people for careers in the future, but also we are engaged in activities in which we seek to try to find answers to some of the most complicated problems that we face.

And I think it goes without saying that water and air quality are the two major factors that determine our future in Central California. And, indeed, as a university, we have sought to become involved over the last several years in many ways in addressing issues that we face in this region. And through the California Water Institute, which has recently been established, we hope to provide a place in which people can come together to not only share the best research and the best science available, but also to begin discussions to look at how we can collectively work together to address issues of water.

The International Center for Water Technology, which has recently been established and seeks to bring together an industry that is engaged in trying to help us learn how to manage this precious resource, is just about to launch some of its efforts on the campus that will focus on research, training, and also focus on how we can better—or not better, but how we can certify products that are so necessary.

But, fundamentally, I would like to suggest to you today that as we begin this hearing we are faced with very complicated problems when we look at the issue of water. But the fact of the matter is that I think we now understand that we have to work together as a region if we are going to solve these issues and other issues that we face, and that we understand I think that all areas of Central

California, and, indeed, the State of California are dependent upon each other.

And the issues that we face, while they are very difficult, can be solved if we have people coming together to look at what is best for our community, what is best for our region.

The other key ingredient I think that is going to be necessary for us to address this issue is we have to have strong leadership. And I think in my 14 years of experience in California I can say that we have at the congressional level in Central California the leadership that is now possible for us to begin to work together to solve some of these problems.

And I want to thank Congressmen Radanovich and Cardoza and Costa, and that other special person that is with us today that you will meet in just a few minutes who is from another part of California, Congressman Napolitano, who has also I know been a great leader in this area, and certainly Congressman Nunes, who has participated.

These people, from my work with them, are deeply concerned not only about this issue but are concerned about how we can collectively bring people together to solve problems that face Central California.

So thank you so much for being with us today. We deeply appreciate the time that you give and the leadership that you give. And I would suggest to us that if we can help our congressional leadership, as well as our leadership at the State Senate and Assembly, begin to look at what are possible solutions, that they are willing to lead in the effort to bring these solutions about.

So thank you again for being with us. Thank you for being on this campus. And, above all, let us commit today to working together to see if we can find a solution to a very, very difficult and challenging problem that faces all of us.

Thanks again.

[Applause.]

**STATEMENT OF THE HON. GEORGE P. RADANOVICH, A
REPRESENTATIVE IN CONGRESS FROM THE STATE OF
CALIFORNIA**

Mr. RADANOVICH. Thank you, John. Thank you for making this available to us, this site, and also for your great leadership that you provide here at Fresno State for the benefit of the entire Valley.

I am going to go ahead with my opening statement and allow other Members up here to give their opening statements. Then we will go into the information-gathering part of this hearing and we will hear from our panel, esteemed panel that we have before us. So let me begin that, and then we will make our way through this hearing.

As we gather here in Fresno, in the heart of the San Joaquin Valley, we come to discuss what water truly means for California and our region, and how we can shape and secure our water supply for our families, the environment, and agriculture.

Today we celebrate the foresight that generations of Californians had in creating the Central Valley Water Project and the State Water Project, and the roles that they played in turning a desert

into some of the world's most productive farmland. Without Friant Dam and other storage projects in California and throughout the West, life as we know it simply wouldn't occur. Adequate water stored in these reservoirs is the lifeblood of our economy, our cultures, and our traditions.

For the everyday citizens who casually turn on the water faucet, it is easy to forget the vision of our water pioneers. Yet for many in the audience here with us today, adequate water is oftentimes the first thing on their minds. Faced by scarce water supplies and never-ending lawsuits from environmental extremists bent on re-writing history for the San Joaquin River, many of the farmers and ranchers in this Valley experience painful and daily reminders of an uncertain future.

Meanwhile, all of California continues to grow at a rapid pace. The notion of "building it and they will come" is no longer true in California. They are going to come anyway. Every day our population and our economic environmental needs grow, and yet a multipurpose Federal dam or reservoir has not been built in nearly 30 years.

As Senator Feinstein often says, it is time to build new storage now. Between inevitable drought and fierce competition with other large metropolitan centers, if we don't act as a region, we will be left with an empty well.

Today we will demonstrate the beneficial link between increased water storage and economic prosperity in the San Joaquin Valley. More water storage means ample supplies for our increasing population, adequate water for environmental needs, and water to sustain the most prosperous agricultural region in the nation, if not the world. This leads to more jobs to maintain, serve, and promote our agricultural assets.

We stand at a water crossroads here in the Valley. We must continue to push to build new storage and find common regional ground. Congress passed a balanced CALFED bill last year to move forward on water storage. The San Joaquin Valley congressional delegation worked together to secure \$4 million to fund CALFED studies to determine if we can build new storage on the Upper San Joaquin River.

This new storage could mean more water for farms, city, and the environment. This is an important step in salvaging our water future. In addition, I am proud that efforts are underway by so many forward-minded citizens in our Valley to improve storage capacity.

The hearing today is about finding these water supply solutions and taking the firm action steps to secure our future. One of those steps will be the San Joaquin Valley regional water planning group that I am working on with my colleague, Jim Costa.

This effort, still in its infancy, is a collaboration that will focus on a number of issues including water quality, water supply, flood control, and environmental restoration. I look forward to working with Mr. Costa, my colleagues, Mr. Cardoza, and Resources Committee Chairman Pombo on this important Valley effort.

Finally, I welcome my Subcommittee colleague, Ranking Member Grace Napolitano. And even though she is from Southern California, I am proud to say that she has a pile of raisins here ready to eat at this hearing.

[Laughter followed by applause.]

I want to thank the California Water Institute and Fresno State for allowing us to have this hearing at an ideal location. And, finally, I want to thank the witnesses and everybody in the audience for dedicating your Saturday morning to plan a blueprint for vital water storage to help sustain our Valley.

[The prepared statement of Mr. Radanovich follows:]

**Statement of The Honorable George Radanovich, Chairman,
Subcommittee on Water and Power**

As we gather here in Fresno, we are here to discuss what water truly means for California and how we can shape our water supply for the future.

Today, we celebrate the foresight that generations of Californians had in creating the Central Valley Project and the State Water Project and the roles they played in turning desert into some of world's most productive farmlands. Without Friant Dam and other storage projects in California and throughout the West, life as we know it simply wouldn't exist. Adequate water stored in these reservoirs is the life-blood of our economy, our cultures and our traditions.

For the everyday citizen who casually turns the light and the water faucet on, it is easy to forget the vision our water pioneers had. Yet, for many in the audience here with us today, adequate water is often times the first thing on their minds. Faced by scarce water supplies and never-ending lawsuits from extreme environmentalists bent upon re-writing history, many of the farmers and ranchers in the San Joaquin Valley experience painful and daily reminders of an uncertain future.

Meanwhile, all of California continues to grow at a fast pace. The notion of "building it and they will come" is no longer true in California. They will come anyway. Everyday, our population and our economic and environmental needs grow, yet, as Senator Feinstein often says, a multi-purpose federal dam and reservoir hasn't been built in 30 years.

We stand at a water crossroads here in the Valley. The time to act is now. Congress passed a balanced CALFED bill last year to help reverse our growing water scarcity. The House of Representatives recently passed our proposal to fund CALFED studies to determine if we can build new storage on the Upper San Joaquin. This new storage could mean more water for farms, cities, and fish. This is an important step in fixing our water future but it's only the first step. The hearing today is about finding these water supply solutions.

I welcome my Subcommittee colleagues from the Valley, Mr. Costa and Mr. Cardoza, and commend them for their leadership on these issues. I also want to thank the witnesses and everyone in the audience for dedicating the time to discuss our common goals and future.

Mr. RADANOVICH. I now recognize my distinguished Ranking Minority Democrat, Grace Napolitano, for your statement. Grace, welcome to Fresno.

**STATEMENT OF THE HON. GRACE F. NAPOLITANO, A
REPRESENTATIVE IN CONGRESS FROM THE STATE OF
CALIFORNIA**

Ms. NAPOLITANO. Thank you, Mr. Chair, and it is a pleasure to be back in this Valley, second time in a couple years, at a hearing that we had in CALFED a couple years ago where members that were in the area helped us get CALFED through, and I must explain it a little bit.

As a City Councilwoman, former State Assembly, and now in Congress, I understand the issues of water. And I am not—I am here to learn and to work with all of the officials. And as the President was so rightfully saying, that we need to work together. We all have needs. What is good for California, for all Californians, is what I am aiming for. But don't forget that we in Southern

California also need to survive and need to be able to have appropriate water supply.

With the Colorado River, we have already met the 2016 plan. We have worked on it, and for those you that don't know the 2016 plan is cutting the take on the Colorado River that Southern California feeds from—a third of the water. But also, to understand how we can impart and maybe share technology and information, so that we can help each other. We can learn from Northern California, and Northern California can learn from what Southern California has achieved and how they have done it.

Be sure that I—and I understand that I have worked with a couple of my colleagues in the state level, with Jim Costa and with Dennis Cardoza, so we have been friends a long time. And my good friend Radanovich is an excellent Chairman of the Subcommittee, and I look forward to working on a lot of the issues. And, again, I will help what is good for California.

But by the same token, again, don't forget to help Southern California. And statements such as I had heard about a year or so ago from a legislator—a state legislator—that not one more drought for Southern California doesn't help your cause nor mine. We are all in it together, and we all need to work together to be able to get that funding through and bring the technology and assistance to all areas.

So with that, Mr. Chair, there are a lot of new challenges, and I look forward to hearing from the panel, and hopefully maybe take another tour later in the year with you to see what has been brought up to date. I am very, very, very concerned about CALFED or the actual expenditure of CALFED monies that has been in the news lately. And I am certain that all of you are as concerned as I am, because we want to be sure that every cent goes to solving a problem.

Thank you very much.

Mr. RADANOVICH. Thank you, Grace. Appreciate it.

[Applause.]

Good to have you here.

I now recognize my colleague, Mr. Cardoza, for your opening statement. Dennis, good morning.

STATEMENT OF THE HON. DENNIS CARDOZA, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. CARDOZA. Good morning. Thank you, George. Thank you for bringing the Committee back again this year. The work that the Committee has done in the past, and continues to do, is incredibly important.

And I want to make a special note as we start out today about the colleagues that are here. Mr. Costa—Jim—this morning we got him tied up with the Portuguese folks on both ends here.

[Laughter.]

But I want to also acknowledge Grace Napolitano. She has already mentioned that we have worked together for a number of years together in the legislature and in Congress, and she has always had an interest and a very positive one in the Central Valley.

I also want to take special note of a few of our colleagues who aren't here. I note that Senator Feinstein was a tremendous leader

in getting the CALFED legislation passed in the Senate. And we have Tom Boegian—I don't know if anyone from Senator Feinstein's staff is here today, but I also see Tom Boegian from Senator Boxer's office, and she has been incredibly helpful, especially to me in my first three years in Congress, and I appreciate him being here.

Also, Congressman Nunes and Chairman Pombo are fabulous to work with and have been so welcoming to Jim and I as we have come into Congress in the last couple of years.

It is important to note how the Valley delegation does work across party lines. What is important is what is good for the Valley, what is good for agriculture, the economy, and what is in the best interest of the future of our Valley is our main interest. We are here to talk about the Valley's water needs and the role that storage plays in meeting those needs.

Plain and simple, this state needs increased water storage facilities. We need them now. We needed them yesterday. It is our job as elected officials to meet these state water needs and to plan for our future. We cannot do that without expanding on our water system. We simply cannot meet our state's future needs by taking any one option—from conservation to building more facilities—off the table.

Storage needs to be incorporated into our policies at every level, from the Federal appropriations process to state bond acts to agency decisionmaking processes. The cornerstone of the CALFED framework agreement, the record of decision, and the CALFED re-authorization bill is the concept of linkages—the notion that the environmental progress would hinge upon water supply and water quality improvements, and that progress on water supply and water quality would hinge upon environmental improvement.

The water community and many of us in office pushed hard for this linkage. The more I learn about the entire water system in California the more I am convinced that this linkage, specifically the concept involving increased storage, is a crucial component, not just for farmers in cities and businesses in California but for flood control and for the environment as well.

Increased storage will give us the flexibility we need to better manage our water resources in this state. It has been neither feast nor famine for us in California. This wet year, with rains coming as late as June, and with a snow melt that keeps us on a flood alert, confirms that point.

Today, as I crossed the San Joaquin River coming to this hearing, I thought to myself, this is both a blessing and a curse. The blessing is that we have a great water year. The curse is that everybody is going to think that the water problem is solved. It is not.

Additional water storage facilities would help us better manage the system for flood control, environmental needs, and for agriculture and municipal and businesses as well. It is also the only way we can meet the water supply targets, the water quality goals, and the environmental goals under the CALFED program.

We are not here to debate whether you have—whether to have these facilities, but what we can do to move the process along to the next steps. The four projects—Shasta, Los Vacaras, Upper San

Joaquin, and Sites Reservoirs—need to progress quickly and to be on the same/similar timeline—the idea that all projects be linked so that there is incentive to keep stakeholders together and supportive of projects outside their region.

We need to reach agreement with state and Federal regulatory agencies on streamlined permit processes, so that the years of work that went into the screening processes and environmental reviews for storage and infrastructure projects can be utilized. And so that it is clear that water infrastructure projects are an essential part of a balanced program.

We need to do a better job of demonstrating the link between storage and our environmental goals, whether it be for water quality, the environmental water account, endangered species goals, refuse water supplies, diversification of refuse water, etcetera.

It is amazing what the water community can accomplish when we all work together. Clearly, there are some differences among water users, rankly, particularly in my district, where we have the west side, east side, exchange contractors, and delta interests all coming together with one elected official.

And opponents of water development love to seize upon these differences. In the end, the water community, however, has more similarities than differences. And I look forward to working with this Committee and the stakeholders on the next steps. I think we are all ready to take the next steps on storage.

And thank you, Mr. Chairman, for holding this hearing.

[Applause.]

Mr. RADANOVICH. Thank you, Dennis. It is good to have you here with us today.

Also joining us is another colleague, Congressman Jim Costa. Jim, welcome to the Subcommittee.

STATEMENT OF THE HON. JIM COSTA, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. COSTA. Thank you very much, Chairman Radanovich. And I want to commend you as the Chairman of the Subcommittee on Water Resources to bring this hearing in the heart of the San Joaquin Valley, the center of the State, Fresno. It is fitting and appropriate that we have it here at Fresno State, an alumni for many of us, our alma mater, Fresno State. Yes, go Dogs. It was nice to hear President Welty in his opening comments.

But truly this university, along with many others, has provided leadership with the California Water Institute that was created several years ago and we are using as a facilitator for efforts that you and I are engaged in, Congressman Radanovich, as well as other local efforts, the International Water Institute. All of that is important.

My colleague, Congresswoman Napolitano, who I served with in the State legislature, she acknowledged clearly we appreciate your leadership in water throughout the State, and we appreciate your coming from Southern California this morning to participate in our hearing here today, because you, too, truly understand the regional connections that exist in California's water challenges.

Congressman Cardoza and I, you know, they sometimes accuse us of having a Portuguese law firm here, but these are kind of ap-

appropriate bookends for this morning. I do appreciate your leadership and working together in a bipartisan effort with our Valley team, with Congressman Radanovich, Congressman Nunes, who is very concerned and active in these issues, and along with our Congressional colleagues Pombo and Thomas, really form a team that, as Dr. Welty said, is critical to providing the Federal leadership necessary to make a difference. But we can't do it alone. We have to work with partners.

And as I look in the front row, I see a good friend and member of the California State Assembly, Assembly Member Juan Arambula, who serves in the appropriate policy committees on the State level. He and I talk on a regular basis about the efforts to address our current and long-term water needs, and we appreciate your participation here today, along with our state colleagues who could not be here but obviously have staff here and are here in spirit.

I would like to make three points before we hear our witnesses, and I am really looking forward to hearing our witnesses, because obviously that is why we are here today. But first of all, we in California are dealing with our future, and oftentimes we act as if our future was well prepared and planned for, and it is not, when it comes to our resource issues, our investment in our infrastructure.

With 36 million people living in California today, estimated to have a population growth in the next 25 years, that should put us around 50 million people. We are not prepared—in my opinion, we are not prepared to provide for the infrastructure and the quality of life issues, i.e. water, transportation, air quality, to sustain that population growth over the course of the next 25 years.

And that is why, in part, this effort is so critical, this hearing is so important, toward really laying on the table what our water needs are, not only in California but particularly in the Central Valley.

And I know under your leadership, Chairman Radanovich, we are going to work very hard in the 109th Congress to try to address not only western needs, the State's needs, but we are going to try to bring our region together.

I think that it is critical, and I tell many of you that we—while we act locally regardless of our position, we need to think regionally. And in thinking regionally, we need to plan long term, and we need to use all of the water management tools that are in our water toolbox to address our long-term water needs in my opinion.

Those involve water management tools that include conservation, they include groundwater recharge, that include surface storage supply, that involve partnerships—public partnerships as we have with the Fresno Irrigation District in the City of Clovis, our public-private partnerships, as Madera is currently pursuing, and the Kings River Conservation District is pursuing.

We need to think out of the box. We need to use all of the water tools, as a good farmer would, in our water management toolbox. It is that simple. We have made progress. I know oftentimes we look and say, "Gee, we are just fighting again." But we have made progress.

We have the quantification settlement agreement in place, and they are implementing it, as Congresswoman Napolitano said, in

the 2016 agreement. CALFED we got authorized last year through the hard works of the three members here, but I think many of us feel that CALFED needs to be put back on track. The transparency and the governance and the accountability are essential if CALFED is ultimately going to serve the purposes that we intended it to when it was created.

And, finally, I believe—and many of you heard me tell this—that we need to come together, we need to get our own water act together as a region, because I believe regions in California that come together with their own long-term regional plan are going to be way ahead of the game.

One thing I have learned for certain over the 20-plus years I have been active in water issues is that if you ever expected Sacramento or Washington, D.C. to solve all your water problems, you are sadly mistaken. And I think we have learned painfully in recent years that that just isn't going to happen. Obviously, Sacramento and Washington, D.C. play a critical role working together as we address our long-term water needs.

But I believe that regions that can come together—and that is not easy, because there are a lot of turf issues, as we know, regionally. We know that clearly in our area here between the east side and the west side, southern Valley and the center of the Valley and northern. We know it between our water districts.

But the fact is that regions that can come together and overcome those turf battles, those local issues, are going to be way ahead of the game in being able to leverage state and Federal dollars, which is where we can really facilitate the partnerships. And that is what this effort should all be about here today is facilitating partnerships.

So I look forward to listening to the testimony as we explore the water management tools that are in our water toolbox, as we look at what are the, you know, barriers that exist in overcoming agreements and reaching consensus within our own region, and making a needs assessment.

You know, any business person, any family, I mean, you can't plan long term unless you know what your needs are. I mean, what your needs are for your business, what your needs are for your county, what your needs are for your family.

And so I think as a part of this regional water plan that we are trying to put together over the next 18 months we have to quantify what our current needs are and what they will be in the next 25 years as it relates to our water supply, our water quality, our environmental restoration efforts, as well as our flood control needs. And therein lies the challenge.

Thank you all for your testimony in advance. If this work were easy, I can assure you it would have been done a long time ago. Let us be reminded of a sage writer and philosopher of the 19th century that used to write in George Radanovich's hometown paper, The Mariposa Gazette, when he spent a bit of time out here in the 19th century.

That fellow, of course, you know was named Mark Twain. But he made an observation that was true then, as it is true today, and we have to put it beside us—when he observed, in the West, whiskey was made for drinking and water was made for fighting. Let

us get past the fights. Let us get working toward some solutions, and let us get moving.

Thank you very much, Mr. Chairman.

Mr. RADANOVICH. Thank you, Jim. Thanks for being here.

[Applause.]

Now I would like to introduce our panel of excellent witnesses. We have a great, I think, representative panel here today. I would like to introduce everybody, and then we will start with five-minute testimonies from each one of them. After that, we will open up the panel for questions from us here on the dais, all for the public record.

Please join me in welcoming today Ms. Carmen Garza of Sunview Vineyards in Delano, California; Mr. Phil Larson, Supervisor of Fresno County from Kerman, California; Mr. Ed Murray, Mayor of the City of Lindsay, California; Mr. Marvin Meyers, Meyers Farm Family Trust in Firebaugh; Mr. David Orth, General Manager of the Kings River Conservation District in Fresno; Mr. Denis Prosperi, a farmer in Madera County; Mr. Lloyd Carter, Director of Revive the San Joaquin, from Clovis, California; and Mr. Kole Upton, who is the Chairman of the Friant Water Users Authority, joining us from Chowchilla.

Welcome to this Committee, and thank you very much for being here.

As I mentioned, we would like each member to give oral testimony for about five minutes. Since we have such a big panel and limited time, we would like you to limit your remarks to five minutes. Please know that your entire written testimony is included for the record, so feel free to be extemporaneous if you would like to in your comments. After that, of course, we would like to make you available for questions from this panel.

The box here will tell you how long you can speak. The lights are just like traffic lights. Green means go, yellow means speed up, and red means stop.

[Laughter.]

So that will be your guideline on your testimony.

And I think you may begin. Ms. Garza, welcome to the Subcommittee. And if you would like to begin to testify, we would sure appreciate it.

STATEMENT OF CARMEN GARZA, SUNVIEW VINEYARDS, DELANO, CALIFORNIA

Ms. GARZA. Thank you for giving me the opportunity. I will start in Spanish, and then I will read English.

Mr. RADANOVICH. That would be just fine.

Ms. GARZA. [Speaks in Spanish.]

OK. At this point, I will read in English. My name is Carmen Garza. I have lived and worked in the San Joaquin Valley for almost 50 years. I have lived through the drought we had in the '90s, so I am very happy to hear that somebody is thinking about enhancing our nation's water storage capacity.

As farm workers, sometimes we lose days of work because of rain, but there is great comfort in knowing that we will have water in the future to continue to maintain the farms, and, therefore, our

jobs. I am a farm worker, and keeping my job is extremely important.

But my job is only one small piece of the circle which starts with a reliable flow of water to the farms in the San Joaquin Valley. Yes, I need my job to continue to provide a home and food for my family, but so do many other families who have jobs thanks to the existence of farms.

I represent employees working in the grape industry. There are several thousand family businesses farming raisins, wine grapes, and fresh grapes in that area, serviced by the Madera Canal and the Friant-Kern Canal. We are a significant contributor to the agricultural industry that exceeds \$12.5 billion of farm grape proceeds. I am talking about grapes from Madera, Fresno, Tulare, and Kern Counties. I am talking about milk, almonds, vegetables, oranges, peaches, plums, nectarines, and all of the grain and hay crops we grow to support the animal industry.

These crops have a huge value and keep our economy and jobs alive. Also, please remember that grapes, stone fruit, nuts, and citrus are all permanent plantings. Therefore, a constant, reliable, long-term source of water is critical to their survival.

Please recognize how important our current water supply system is to our economy and livelihood. And that as we grow in population, future generations will benefit by developing our water storage resources.

Thank you for your time and inviting me to speak on behalf of employees in the grape industry. I have included statistics for the Congressional Record on the agricultural production value of the Madera, Fresno, Tulare, and Kern Counties for your review. These four counties are served extensively by the valuable Friant service area of the Central Valley Project.

Thank you.

[The prepared statement of Ms. Garza follows:]

**Statement of Carmen Garza, Hand Labor Supervisor,
Sunview Vineyards of California, Inc.**

My name is Carmen Garza. I have lived and worked in the San Joaquin Valley for almost 50 years. I have lived through the drought we had in the 90's, so I am very happy to hear that somebody is thinking about enhancing our nation's water storage capacity. As farmworkers, sometimes we lose days of work because of rain, but there is great comfort in knowing that we will have water in the future to continue to maintain the farms, and therefore, our jobs.

I am a farmworker, and keeping my job is extremely important, but my job is only one small piece of the circle which starts with a reliable flow of water to the farms in the San Joaquin Valley. Yes, I need my job to continue to provide a home and food for my family, but so do many other families who have jobs thanks to the existence of farms.

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I am talking about grapes from Madera, Fresno, Tulare and Kern Counties. I am talking about milk, almonds, vegetables, oranges, peaches, plums and nectarines and all the grain and hay crops we grow to support the animal industry.

These crops have a huge value and keep our economy and jobs alive. Also, please remember that grapes, stone fruits, nuts, and citrus are all permanent plantings; therefore, a constant, reliable, long-term source of water is critical to their survival. Please recognize how important our current water supply system is to our economy and livelihood and that as we grow in population, future generations will benefit by developing our water storage resources.

Thank you for your time and inviting me to speak on behalf of employees in the grape industry. I have included statistics, for the Congressional record, on the Agricultural Production Value of the Madera, Fresno, Tulare and Kern counties for your review. These four counties are served extensively by the valuable Friant Service Area of the Central Valley Project.

**California - Southern San Joaquin Valley
Analysis of Agricultural Production Value
Four Selected Counties portions of which are within the
Friant Service Area of the Central Valley Project**

Source - County Agricultural Commissioners Annual Crop Report

Year	Madera	Fresno	Tulare	Kern	Total
1984	n/a	\$ 1,922,407,840	\$ 1,392,273,500	\$ 1,199,049,700	\$ 4,513,731,040
1985	n/a	\$ 2,054,060,400	\$ 1,368,387,100	\$ 1,218,218,200	\$ 4,640,665,700
1986	n/a	\$ 2,125,721,200	\$ 1,400,743,000	\$ 1,366,743,600	\$ 4,893,207,800
1987	n/a	\$ 2,264,044,000	\$ 1,667,201,900	\$ 1,380,579,000	\$ 5,311,824,900
1988	n/a	\$ 2,444,732,600	\$ 1,791,151,200	\$ 1,508,224,000	\$ 5,744,107,800
1989	n/a	\$ 2,607,648,800	\$ 1,853,101,600	\$ 1,606,925,000	\$ 6,067,675,400
1990	n/a	\$ 2,949,484,000	\$ 2,169,448,000	\$ 1,837,516,000	\$ 6,956,448,000
1991	n/a	\$ 2,552,305,040	\$ 1,878,425,400	\$ 1,521,542,000	\$ 5,952,272,440
1992	n/a	\$ 2,635,447,400	\$ 2,221,612,100	\$ 1,547,215,000	\$ 6,404,274,500
1993	n/a	\$ 3,022,311,100	\$ 2,365,202,000	\$ 1,885,678,000	\$ 7,273,191,100
1994	n/a	\$ 3,084,870,800	\$ 2,504,944,000	\$ 1,973,983,000	\$ 7,563,797,800
1995	n/a	\$ 3,142,878,300	\$ 2,611,088,000	\$ 1,982,071,000	\$ 7,736,037,300
1996	n/a	\$ 3,324,885,800	\$ 2,805,452,000	\$ 2,087,800,300	\$ 8,218,138,100
1997	n/a	\$ 3,436,443,500	\$ 2,900,892,000	\$ 2,240,559,000	\$ 8,577,894,500
1998	n/a	\$ 3,257,712,600	\$ 2,919,528,800	\$ 2,080,474,500	\$ 8,257,715,900
1999	\$ 702,383,000	\$ 3,570,027,600	\$ 3,078,369,000	\$ 2,129,569,400	\$ 9,480,349,000
2000	\$ 711,405,000	\$ 3,281,285,400	\$ 3,068,648,200	\$ 2,209,449,900	\$ 9,270,788,500
2001	\$ 651,794,000	\$ 3,220,101,800	\$ 3,475,999,600	\$ 2,220,671,200	\$ 9,568,566,600
2002	\$ 779,510,000	\$ 3,440,926,400	\$ 3,201,084,900	\$ 2,595,359,500	\$ 10,016,880,800
2003	\$ 760,784,000	\$ 4,073,338,500	\$ 3,296,522,000	\$ 2,483,676,000	\$ 10,614,320,500
2004	\$ 800,000,000	\$ 4,691,224,200	\$ 4,039,524,000	\$ 3,142,481,400	\$ 12,673,229,600

Note: Madera County 2004 amount estimated from available data



Madera County Department of Agriculture Weights and Measures

Robert J. Rolan, Agricultural Commissioner
Sealer of Weights and Measures

Jay Seslowe, Assistant Agricultural
Commissioner/Sealer

A. G. Kawamura, Secretary
California Department of Food and Agriculture
and
The Honorable Board of Supervisors
Frank Bigelow, Vern Moss, Ronn Dominici, John Silva, and Gary Gilbert

In accordance with the provisions of Section 2279 of the California Food and Agricultural Code, I am pleased to submit the 2003 Agricultural Crop Report.

The gross production value of Madera County agricultural commodities in 2003 was \$760,784,000. This represents a decrease of 2.4% from the 2002 production value.

Field crop production decreased slightly for most commodities. Wheat production fell more significantly, with over two-thirds of Madera County wheat acreage affected by wheat stripe rust early in the season.

Almonds, enjoying continuing increases in acreage and a 42% increase in production value, became the number one crop in Madera County in 2003. Grape values were recovering, though not enough to offset substantial decreases in harvested acreage and yield per acre. Pistachio pollination was jeopardized by uneven temperatures, resulting in a 70% decrease in yield. Apples, olives, and many of the stone fruits saw increases in yield as less-productive orchards were pulled out of production.

Dairy herd numbers continued to grow in Madera County during 2003. Market milk production increased over 14% during 2003, resulting in an \$18.8 million increase in production value. Replacement heifers also saw increases in production value, with an overall increase of nearly \$3.3 million over the 2002 production value.

Nursery production acreage increased 58% in 2003, with an accompanying increase in production value of nearly \$2.4 million. In contrast, vegetable crop production values decreased over \$7 million.

It must be emphasized that the values presented in this report reflect gross values only, and do not in any manner reflect net income or loss to producers.

The preparation of a report of this type requires extensive collaboration, and I sincerely appreciate the contributions of our growers, the staff of the University of California Cooperative Extension, industry representatives, and my staff.

Sincerely,

The signature of Robert J. Rolan, written in cursive ink.

Robert J. Rolan
Agricultural Commissioner



A. G. Kawamura, Secretary
California Department of Food and Agriculture

County of Fresno

Department of Agriculture

Jerry Prieto, Jr.
Agricultural Commissioner/
Sealer of Weights & Measures

Robert D. Vandergon
Assistant Agricultural Commissioner/
Sealer of Weights & Measures

The Honorable Board of Supervisors
County of Fresno

Judith G. Case, Chair	
Susan B. Anderson	Phil Larson
Henry Perea	Bob Waterston
Bart Bohn	
County Administrative Officer	

I am pleased to submit the 2004 Fresno County Agricultural Crop and Livestock Report. This annual compilation presents statistical data pertaining to the acreage, yield, and gross value of Fresno County agricultural products.

Fresno County set a new production value record in 2004 by exceeding the four billion-dollar mark for the second consecutive year. The total gross production value of Fresno County agricultural commodities in 2004 was \$4,691,224,200. This represents a 15.17 percent increase from the 2003 production value. Increases were seen in vegetable, fruit and nut crops as well as livestock and poultry. Although some commodities have increased in value others have decreased. It must be emphasized that the values presented in this report reflect gross values only and do not in any manner reflect net income or loss to producers. The agricultural economy is improving. The 2004 production year marked the beginning of a recovery for the raisin industry. Unusually warm weather during the dried plum bloom significantly reduced fruit set. Higher than normal spring temperatures affected fruit sizing in fresh plums and reduced packouts. Drought conditions during late spring and summer months reduced native forage for grazing on rangelands and forced livestock ranchers to purchase supplemental feed. Some growers are still unable to meet financial obligations or obtain adequate operating capital. Growers continue to see increased commodity prices offset by the increased costs for labor, water, fuel, energy and regulatory mandates.

Agriculture continues as the major industry in Fresno County and is a driving force in the county's economy. Every dollar received by Fresno County producers results in the economic extension benefit of three and one-half dollars to the total economy of the county.

I sincerely appreciate the professional and dedicated work performed by Deputy Agricultural Commissioner/Sealer Dennis C. Plann; Supervising Agricultural/Standards Specialist Scotti Walker; Agricultural/Standards Specialists Jennifer Fulbright, Brice Gross, Crystal Linder and Richard Stoltz; and Seasonal Agricultural/Standards Specialist Luz M. Desilagua as well as the rest of our staff at the Department of Agriculture for the preparation of this report.

My thanks to the many individuals, related agencies, and members of the agricultural industry for their contributions to the compilation of this report.

Sincerely,

Jerry Prieto, Jr.
Agricultural Commissioner/Sealer

**GROWTH IN FRESNO COUNTY AGRICULTURE AS INDICATED BY GROSS
PRODUCTION VALUE OF AGRICULTURAL PRODUCTS OVER A TWENTY-ONE YEAR SPAN**

1984	-	1,922,407,840*	1995	-	3,142,878,300*
1985	-	2,054,060,400*	1996	-	3,324,885,800
1986	-	2,125,721,200*	1997	-	3,436,443,500*
1987	-	2,264,044,000*	1998	-	3,257,712,600*
1988	-	2,444,732,600*	1999	-	3,570,027,600*
1989	-	2,607,648,800*	2000	-	3,281,285,400*
1990	-	2,949,484,000*	2001	-	3,220,101,800
1991	-	2,552,305,040*	2002	-	3,440,926,400*
1992	-	2,635,447,400*	2003	-	4,073,338,500*
1993	-	3,022,311,100*	2004	-	4,691,224,200
1994	-	3,084,870,800			

SIX-YEAR COMPARISON OF GROSS PRODUCTION VALUE IN FRESNO COUNTY

CROPS	1984	1994	2001	2002	2003	2004
Field	\$ 522,738,000	\$ 661,062,000	\$ 515,807,000	\$ 514,089,000	\$ 499,694,000	\$ 594,728,000
Seed	46,251,000	38,398,000	42,880,000	61,005,000	37,423,000	18,972,000
Vegetable	319,163,000*	674,231,000	737,992,000	865,452,000	1,226,164,000*	1,273,871,000
Fruit & Nut	580,953,600	992,109,900	1,069,231,000	1,235,426,000	1,491,636,000*	1,809,010,000
Nursery	8,255,000	23,945,000	32,013,900	32,406,600	32,724,700	35,067,000
Livestock	434,595,000*	673,275,000	805,333,000	712,273,000	768,675,000	941,680,000
Apiary	6,040,240	6,015,000	9,798,900	11,179,400	11,063,800	11,603,200
Industrial	4,412,000	15,834,900	7,046,000	9,096,000	5,958,000	6,293,000
TOTAL	\$ 1,922,407,840*	\$ 3,084,870,800	\$ 3,220,101,800	\$ 3,440,926,400	\$ 4,073,338,500*	\$ 4,691,224,200

*Revised

Tulare County Agricultural Commissioner/Sealer



Gary Kunkel, Agricultural Commissioner
 Sealer of Weights and Measures
 William R. Appleby, Assistant
 Commissioner/Sealer

A. G. Kawamura, Secretary
 California Department of Food and Agriculture

April 2005

and

Honorable Board of Supervisors
 County of Tulare

Connie Conway, Chairman
 Allen Ishida
 J. Steven Worthley

Philip Cox
 Jim Maples

Brian Haddix, County Administrative Officer

It is my pleasure to submit the 2004 Tulare County Annual Crop and Livestock Report. This report is produced in accordance with Sections 2272 and 2279 of the California Food and Agricultural Code and summarizes the acreage, production, and value of Tulare County's agricultural commodities. The figures contained herein represent gross returns to the producer and do not reflect actual net profit.

This year's total value of all commodities is **\$4,039,524,000**. This represents an increase of \$743,002,000 or 23 percent above last year's value.

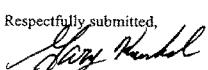
The price of market milk increased by \$3.00 per hundredweight (cwt) and volume increased by 359,000 cwt. The total value of milk increased by \$281,064,000 over that of 2003. Beef cattle and calf numbers improved this year with better range conditions. Along with the dairy herd population comes a commensurate increase in overall number of animals destined for meat and milk production. This resulted in an increase of some \$63,573,000 in the value of cattle and calves.

Total value of field crops increased by 45% or \$130,586,000. This is attributable to good growing conditions, resulting in a substantial increase in total value. Vegetable crops increased by 68%, primarily because of a significant increase in acreage. Tomatoes also experienced strong increases in both acreage and value.

The fruit and nut crop category, one of our largest segments, also made significant gains. Almonds, grapes, kiwifruit, lemons, nectarines, oranges, and pistachios experienced increases in overall value. Nurseries had a slight increase in total value of 4% or \$2,648,000. Apiary products had a 19% decrease, as beekeepers struggle with lower per unit value. Seed crops saw an increase in total value of 11%, along with a 74% increase in acreage. Meanwhile, industrial crops grew by 29% in over all production value.

Tulare County's grand total for all commodities is the highest in its history, topping four billion dollars for the first time. Our agricultural diversity remains our strength. Although individual commodities and growers may struggle from year to year, Tulare County continues to grow a wide variety of high quality crops that provide food and fiber for the world.

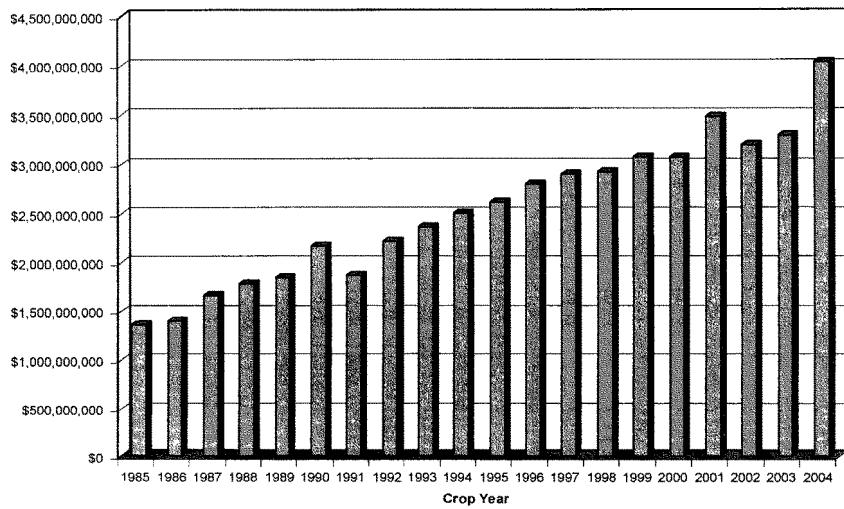
I wish to express my sincere appreciation to the many producers, processors, and agencies, both private and public, which supported our efforts in producing this report. I would also like to thank all the members of my staff, particularly Michelle Stanley, Melinda Lancaster, and Dennis Haines. Without their hard work and valuable input, the publication of this report would not have been possible.

Respectfully submitted,

 Gary W. Kunkel
 Agricultural Commissioner/Sealer

**TWENTY YEAR COMPARISON OF AGRICULTURE
INCOME IN TULARE COUNTY
1985-2004**

1985	1,368,387,100	1995	2,611,088,000
1986	1,400,743,000	1996	2,805,452,000
1987	1,667,201,900	1997	2,900,892,000
1988	1,791,151,200	1998	2,919,528,800
1989	1,853,101,600	1999	3,078,369,000
1990	2,169,448,000	2000	3,068,648,200
1991	1,878,425,400	2001	3,475,999,600
1992	2,221,612,100	2002	3,201,084,900
1993	2,365,202,000	2003	3,296,522,000
1994	2,504,944,000	2004	4,039,524,000

Tulare County 20 Year Comparison





DEPARTMENT OF AGRICULTURE AND MEASUREMENT STANDARDS

THEODORE K. DAVIS
Agricultural Commissioner/Sealer

1001 South Mount Vernon Avenue · Bakersfield, California 93307
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2004

Mr. A.G Kawamura, Secretary
California Department of Food & Agriculture
-and-
The Honorable Board of Supervisors
County of Kern

In accordance with Section 2279 of the California Food and Agriculture Code, I submit the Agricultural Crop Report for 2004.

The 2004 total value of agricultural commodities produced in Kern County has exceeded the \$3 Billion mark. The value for 2004 is \$3,142,481,400.

The entire 2004 Kern County Crop Report can be found on the Department of Agriculture and Measurement Standards web site: www.co.kern.ca.us/kernag/

The major factors affecting the increase of 26.5% over the 2003 revised crop value were the increases in the Grape production and price; Almond production and price; Pistachio acreage, production and price; Cotton acreage, production and price; Hay production and price; Wheat production and price; Nursery acreage; Vegetable Seed production and price; Cattle and Calves head and price; and Milk production and price.

Harvested acres were up 3% to 891,576 acres. The top five commodities are: Grapes, Almonds, Milk, Citrus, and Cotton.

These figures represent a **Gross** receipt of producers and **do not** take into account the various costs of production, marketing, or transportation. **No attempt is made to reflect net income of the producer.**

I want to thank all the producers and organizations who have supplied us with information.

Respectfully submitted,


Theodore K. Davis
Agricultural Commissioner/Sealer

Mr. RADANOVICH. Thank you, Ms. Garza. I appreciate your testimony.

[Applause.]

I now recognize Supervisor Phil Larson from Fresno County. Phil, welcome to the Subcommittee, and you may begin to testify.

**STATEMENT OF PHIL LARSON, SUPERVISOR,
FRESNO COUNTY, KERMAN, CALIFORNIA**

Mr. LARSON. Thank you, Mr. Chairman and members of the Subcommittee. Thank you for the opportunity to appear before you today and to share my perspective on the need for new water storage in the San Joaquin Valley.

My name is Phil Larson, and I represent District 1 on the Fresno County Board of Supervisors. My district includes the western portion of the City of Fresno and the west side agricultural region of our county, all the way to the San Benito County line.

As a farmer and a businessman, I study water issues in my county because they are vital to my economic survival. As a past Farm Bureau president, I advocate for additional water storage for our region because our organization saw the need to establish safe, clean, and reliable water supplies for our industry, our community in the future.

As Fresno County Supervisor, I continue to fight for safe and secure water supplies in our region, because I know without additional water supplies the social, cultural, and economic impacts to our region could be devastating.

It is my goal today to provide you with a brief synopsis of the importance of water resources to Fresno County, what we have done to date to protect our viable water resources, why we can work with each of you, and how we can work together as a region to establish additional storage in the Central Valley.

Fresno County represents a unique combination of an agricultural-based rural economy with a large urban population center. Fresno County's agriculture is the major industry in the county, and it is a driving economic force. We are also home to the sixth largest city in California, and the largest inland city in the state.

Our gross agriculture production value of 2004 exceeded the \$4 billion mark for the second consecutive year, and Fresno County regained our long-standing title as the number one agricultural county in the nation. We have experienced unprecedented growth, an explosion of the population both home—both population and home construction. 2005 population estimates for the City of Fresno are 465,000, and a metropolitan area population of more than one million.

Our 15 incorporated cities are also experiencing huge growth, and economic indicators illustrate the trend will continue. With a normal average rainfall per year of 10.6 inches, Fresno County must rely upon both surface and groundwater supplies to meet all the water demands. The majority of our farmers, and, therefore, our entire agricultural-based economy rely on surface water.

Application of surface water for irrigation purposes, combined with seepage from rivers, streams, and canals used to deliver surface water is the single largest direct source of groundwater recharge in the county. Over 94 percent of our residents rely directly on groundwater to meet their domestic needs. The water is supplied through individual wells or through municipal community systems.

Groundwater is also used to supplement the surface water supplies, especially during times of drought. Fresno County has more water storage capacity in the aquifers underlying the central part of the county than the combined storage of all the reservoirs in the county.

However, these aquifers are being overdrafted, and all local surface water supplies are fully appropriated. This ongoing shortage is compounded by the unprecedented growth we have experienced in the past years. Fresno County's approach has been to protect our

water supplies through enactment of policies that encourage conservation and protection of our water quality.

We have also sought to enhance our local water supplies. However, the only available potential new water currently flows down the rivers and out into the ocean in high-yield years such as we have experienced this year.

In high-yield years, our existing water storage system is overwhelmed. To maximize the capture of these flood flows, we desperately need additional storage. Fresno County's policies continue to support additional water storage for both surface and underground as long as it has undergone a critical and transparent evaluation and been proven to be economically and environmentally feasible.

In support of the enhanced water storage, the Fresno County Board of Supervisors approved a resolution on December 14, 2004, supporting a study of Temperance Flat Surface Water Storage Project. Fresno County, like many of its neighbors, has found it necessary to be vigilant in protecting our water source by limiting out-of-county water transfers.

To accomplish this, Fresno County enacted a groundwater ordinance in 2000 to prevent the potentially devastating permanent transfers of water out of our county and out of the region. We are working with all of our water agencies by conducting studies on our current water inventory and evaluating both our current and projected needs.

Fresno County has also joined cooperative coalitions with neighboring counties, the Valley Water Alliance, the San Joaquin Valley Water Coalition, for a regional solution. Water equals economic stability growth in Fresno County, and I dare say the entire San Joaquin Valley. If we are to grow and prosper, we are to continue to be the world's food basket, we must maximize our water resources.

Thank you for the opportunity to address you today, and I urge you to continue your role of examining opportunities for new water storage in the San Joaquin Valley. On behalf of Fresno County, I look forward with you and the members of this Subcommittee as we pursue our mission in providing opportunities throughout the region.

Your bipartisan coalition sets an outstanding example and how we can provide a better future for our children and our children's children.

Thank you.

[The prepared statement of Mr. Larson follows:]

**Statement of Phil Larson, Vice-Chairman,
Fresno County Board of Supervisors**

Mr. Chairman and members of the Subcommittee, thank you for the opportunity to appear before you today to share my perspective on the need for new water storage in the San Joaquin Valley.

My name is Phil Larson and I represent District One on the Fresno County Board of Supervisors. My district includes the western portion of the City of Fresno and the westside agricultural region of our county all the way to the San Benito County line. As a farmer and businessman, I study water issues in my county because they are vital to my economic survival. As a past farm bureau president, I advocated for additional water storage for our region because our organization saw the need to establish safe, clean and reliable water supplies for our industry and community in the future. As a Fresno County Supervisor, I continue to fight for safe and secure

water supplies in our region because I know without additional water supplies the social, cultural and economic impacts to our region could be devastating.

It is my goal today to provide you with a brief synopsis of the importance of water resources to Fresno County, what we have done to date to protect our viable water resources, why we can work with each of you, and how we can work together as a region to establish additional storage in the Central Valley.

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Our gross agriculture production value in 2004 exceeded the four billion-dollar mark for the second consecutive year and Fresno County regained our long standing title as the number one Agricultural County in the Nation.

We have experienced unprecedented growth and an explosion of both population and home construction. 2005 population estimates for the City of Fresno are 465,000 and a metropolitan area population of more than 1 million. Our fifteen incorporated cities are also experiencing huge growth and economic indicators illustrate the trend will continue.

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Over 94% of our residents rely directly on groundwater to meet their domestic needs. The water is supplied through individual wells, or through municipal/commu-nity systems. Groundwater is also used to supplement surface water supplies, especially during times of drought.

Fresno County has more water storage capacity in the aquifers underlying the central part of the County than the combined storage of all the reservoirs in the county. However, these aquifers are being over-drafted and all local surface water supplies are fully appropriated. This ongoing shortage is compounded by the unpre-
dicted growth we have experienced in the past years.

Fresno County's approach has been to protect our water supplies through enact-
ment of policies that encourage conservation and protection of water quality. We have also sought to enhance our local water supplies. However, the only available potential new water currently flows down the rivers and out into the ocean in high yield years such as we have experienced this year.

In high yield years, our existing water storage system is overwhelmed. To maxi-
mize the capture of these flood flows, we desperately need additional storage. Fresno County policies continue to support additional water storage for both surface and underground as long as it has undergone a critical and transparent evaluation and been proven to be economically and environmentally feasible. In support of enhanced water storage, the Fresno County Board of Supervisors approved a Resolution on December 14, 2004 supporting the study of the Temperance Flat Surface Water Storage Project (attachment A).

Fresno County, like many of its neighbors, has found it necessary to be vigilant in protecting our water source by limiting out-of-county water transfers. To accom-
plish this, Fresno County enacted a groundwater ordinance in 2000 (attachment B) to prevent the potentially devastating permanent transfer of water out of our county and out of the region. We are working with all of our water agencies by conducting studies on our current water inventory and evaluating both our current and projected needs. Fresno County has also joined cooperative coalitions with neighboring counties through the Valley Water Alliance and the San Joaquin Valley Water Coa-
lition to work for regional solutions.

Water equals economic stability and growth in Fresno County and I dare say, to the entire San Joaquin Valley. If we are to grow and prosper and if we are to con-
tinue to be the world's food basket, we must maximize our water resources. We are uniquely sited in one of the world's few perfect Mediterranean climates. We can grow everything here; all we need is the ability to ensure our water supply by cap-
turing and storing the water from our high Sierra resource.

Thank you for the opportunity to address you today and I urge you to continue your role of examining opportunities for new water storage in the San Joaquin Valley. On behalf of Fresno County, I look forward to working with you and the members of this Subcommittee as we pursue our mission of providing economic opportunities throughout the region. I would also like to commend the Central Valley Congressional caucus for working together on issues of importance to our valley—

your bipartisan coalition sets an outstanding example on how we can provide a better future for our children and our children's children.

Again, thank you. I would be honored to accept questions from you at this time or anytime for that manner. My door is always open to each of you as we continue to pursue a viable solution to our water supply issues.

NOTE: Attachments to Mr. Larson's statement have been retained in the Committee's official files.

Mr. RADANOVICH. Thank you, Mr. Larson. Appreciate your testimony.

[Applause.]

We now recognize the Mayor of Lindsay, Mr. Ed Murray, for your testimony. Welcome to the Subcommittee.

**STATEMENT OF ED MURRAY, MAYOR,
CITY OF LINDSAY, CALIFORNIA**

Mr. MURRAY. Thank you. Good morning. My name is Ed Murray. As said, I am the Mayor of City of Lindsay. Lindsay, for you that don't know, is in Tulare County on the east side adjacent to the foothills. Lindsay is a farm-based community. Our economy is based on the farm jobs. Our population is 10,700 people, of which 82 percent is Hispanic. We have about 4,000 people employed; 2,200 of those jobs are employed through agricultural-related fields.

In the winter of 1990-1991, as most of you are aware, our area was devastated by a major freeze. Then we had our two largest employers shut down, and the city's unemployment rate soared to 67 percent. Our crime rate tripled during that time period.

We had a mock funeral on our part to bury the past, including frozen oranges. Since that time, Lindsay has had a rebirth. Lindsay has spent \$5 million on a sewage treatment plant that will sustain capacity until the year 2025.

We have installed a four million gallon water storage tank to better serve our water needs. Most of our underground water lines have been replaced, and our city has passed a tax to repair or replace the roads, the streets in our community, on a 10-year rotational basis. This was passed by the citizens of the community.

In the spring of 2004 we opened a plaza in Mercado where every Friday night they have a farmer's market street fair attracting between 4,000 and 5,000 people. We are now in the process of building a new library, a sports court in the area in the center of town, infill housing in the downtown area, and redesigning our streets and sidewalks in our shopping area.

About six years ago, our hospital closed down. They began the process of building a \$50 million wellness center. The City of Lindsay has a contract with the Bureau of Reclamation to help supply our water needs. This contract is for 2,500 acre-feet of water per year. Last year the city's total usage was 2,737 feet.

From these figures, you can see how important the San Joaquin River is to the City of Lindsay. We have two active wells and one standby well. Our main well is three miles outside of the city. In the past three years, we have drilled six test wells. They were of no use, because of the quantity or quality of water that they produced.

I do not believe, by any means, the water supply would ever be shut off to the city. But if our main industry—agriculture—lost any

portion of its water supply it could have a devastating effect on our community. We need to ensure a steady water supply and consideration given to economic and social impacts on people that have made our area a great place to live and raise a family.

In the last few months, the City Council has approved development of over 560 new homes coming into our area. We are looking for the future to maintain that water supply to support the quality of life we would like to have. Please help us save our water, so we can enjoy the quality of life.

Thank you.

[Applause.]

[The prepared statement of Mr. Murray follows:]

**Statement of The Honorable Ed Murray, Mayor,
City of Lindsay, California**

Good morning. My name is Ed Murray. I am the Mayor of the City of Lindsay. Lindsay is in Tulare County on the east side adjacent to the foothills. Lindsay has a farm-based economy. Our population is 10,700 citizens of which about 82% are Hispanic. We have about 4,000 people employed, 2200 of those jobs are agriculture related.

In the winter of 1990-91, our area was devastated by a major freeze, then we had our two largest employers shut down. The city's unemployment rate soared to 67%. Our crime rate tripled. We had a mock funeral in our city park to bury the past, including frozen oranges. Since that time, Lindsay has been on a rebirth. Lindsay has spent 5 million dollars on a sewage treatment plant with capacity until 2025, and we installed a 4 million gallon water storage tank to better serve our water need. Most all our underground water mains have been replaced. Our city passed a tax to repair or replace every street in our city on a 10 year rotational basis.

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The City of Lindsay has a contract with the Bureau of Reclamation to help supply our water needs. The contract is for 2,500 acre feet of water per year. Last year, the city's total usage was 2,737 acre feet. From these figures you can see how important the San Joaquin River is to the City of Lindsay. We have two active wells and 1 standby. Our main well is 3 miles outside the city. In the past few years, we have drilled 6 test wells. They were of no use because of quantity or quality of water.

I do not believe the water supply would ever be shut off to the city, but if our main industry lost any portion of its water supply it could have a devastating effect on our community. We need to insure a steady water supply with consideration given to the economic and social impact on the people who have made our area a great place to live and raise a family. Please help us save our water so that we can enjoy a good quality of life.

Mr. RADANOVICH. Thank you, Mr. Meyers.

Next is Mr. Dave Orth, Kings River Water Authority. Oh, excuse me, Mr. Meyers.

Mr. MEYERS. You can skip over me.

Mr. RADANOVICH. Skipped right over you.

[Laughter.]

Welcome, Marvin, to the Subcommittee representing Meyers Family Farm Trust. And you may begin your testimony. Thank you.

**STATEMENT OF MARVIN MEYERS, MEYERS FARM FAMILY
TRUST, FIREBAUGH, CALIFORNIA**

Mr. MEYERS. Thank you for seeing that I was here.
[Laughter.]

Mr. Chairman and members of the Subcommittee, thanks for giving me a chance to speak about a project that is a positive thing addressing our shortages in water.

I am Marvin Meyers, a partner with my family in the farming venture on the west side of Fresno County, and also the President of San Luis Water District, which is a district on the west side of Fresno and Merced Counties, and a Director of the San Luis Delta-Mendota Water Authority, and a member of the State Board of Food and Ag, and so on and so on. Also, I have participated in the Governor's Drought Preparedness Plan in 2000.

I am going to focus my brief statements on a water bank. The Meyers farm water banking project was created to store surplus water supplies available in wet years for later extraction from underground storage during dry years. The project provides a supplemental water supply, so that agricultural operations can continue during drought periods when water becomes scarce and prohibitively expensive.

A sustainable water supply is essential to the Meyers Farming, because the majority of its lands in San Luis Water District are planted to permanent crops, primarily almonds, that require irrigation every year. In addition to direct agricultural benefits, the bank plans to achieve several economic and environmental objectives. Some environmental benefits of the project are already apparent, since water banking activities began in 2002.

Approximately 11,000 acre-feet of water have been pumped from the Mendota pool and infiltrated into the shallow aquifer for storage in an area where groundwater levels have been depressed due to heavy pumping during drought periods.

Meyers Farming has pledged to leave 5 percent of the stored water in the aquifer in perpetuity. The project will raise the level of the water table, reduce the potential for overdraft, and improve groundwater quality. The recharge funds also provide habitat for water fowl and other wildlife. Supplemental water pump from the bank will provide continued economic and employment security during dry years due to increased sustainability of agricultural operations.

A critical economic problem facing San Joaquin Valley farmers is that when extreme water shortages occur water costs escalate and many farmers are forced to fallow large areas of land. By extracting stored water as needed from the bank, Meyers Farming can ensure continued agricultural operations and associated benefits to the local economy. The bank will allow Meyers Farming to continue to support local businesses and its employees to continue to support their families even during drought years.

The bank project also includes plans to create educational opportunities focused on the beneficial use of water for agriculture and wildlife habitat. A key goal is to demonstrate how responsible agricultural practices and sound water management can coexist and improve conditions for local wildlife. Educational outreach

programs at the bank are being coordinated by Fresno County School District and Fresno State University.

Meyers Farming is practicing sound water management by storing water, so that agricultural operations can be sustained during future water-short years. With the operations and support—co-operation and support of the U.S. Bureau of Reclamation, and other agencies, the San Luis Water District and Spreckels Sugar Company where the bank is located, Meyers Farming has instituted a program that promotes conservation, efficient water use, groundwater recharge, wildlife habitat, educational outreach, and groundwater quality improvement. This program is unique in that all the funds were generated privately; no public funds were used in this project's creation or continued operation.

My purpose in presenting this project to the Subcommittee is to demonstrate water storage, whether surface or groundwater, can be accomplished. The cooperation of Federal, the Bureau of Reclamation mainly, and other agencies enable this project to become a reality.

During our feasibility work, no one was left out. It is absolutely insane to spend millions of dollars in repetitive studies and no storage facilities have been constructed. To let an abundant year of moisture such as this go by is evidence of how little we have progressed capturing water for storage in wet years for use in dry years.

With ever-increasing demand for our limited surface and groundwater, this Committee must press for prompt, positive action. The next multi-year drought will be too late.

Thank you.

[Applause.]

[The prepared statement of Mr. Meyers follows:]

Statement of Marvin Meyers, Meyers Farming, Firebaugh, California

The Meyers Farm Water Banking project (Bank) was created to store surplus surface water supplies available during wet years for later extraction from underground storage during dry years. The project provides a supplemental water supply so that agricultural operations can continue during drought periods when water becomes scarce and prohibitively expensive. A sustainable water supply is essential to Meyers Farming because the majority of its lands in San Luis Water District are planted to permanent crops (primarily almonds) that require irrigation every year.

In addition to direct agricultural benefits, the Bank plans to achieve several economic and environmental objectives. Some environmental benefits of the project are already apparent. Since water-banking activities began in 2002, approximately 11,000 acre-feet of water have been pumped from the Mendota Pool and infiltrated to the shallow aquifer for storage in an area where groundwater levels had been depressed due to heavy pumping during drought periods. Meyers Farming has pledged to leave five percent of the stored water in the aquifer in perpetuity. The project will raise the level of the water table, reduce the potential for overdraft, and improve groundwater quality. The recharge ponds also provide habitat for waterfowl and other wildlife.

Supplemental water pumped from the Bank will provide continued economic and employment security during dry years due to increased sustainability of agricultural operations. A critical economic problem facing San Joaquin Valley farmers is that when extreme water shortages occur, water costs escalate and many farmers are forced to fallow large areas of land. By extracting stored water as needed from the Bank, Meyers Farming can ensure continued agricultural operations and associated benefits to the local economy. The Bank will allow Meyers Farming to continue to support local businesses and its employees to continue to support their families even during drought years.

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Mr. RADANOVICH. Thank you, Mr. Meyers. Appreciate your valuable testimony. Thanks for being here today.

Next is Mr. David Orth, who is with the Kings River Conservation District. Dave, welcome to the Subcommittee. You may begin.

STATEMENT OF DAVID ORTH, GENERAL MANAGER, KINGS RIVER CONSERVATION DISTRICT, FRESNO, CALIFORNIA

Mr. ORTH. Thank you, Chairman Radanovich, and members of the Subcommittee. My name is David Orth. I am the General Manager of the Kings River Conservation District, and I thank you for the opportunity to highlight the importance of storage to this region, and I would like to discuss some exciting developments in the Kings River service area in the area of water resource planning.

The Kings River is the other river that serves the greater Fresno area. We have an average annual runoff similar to the San Joaquin River—1.7 million acre-foot per year. We are experiencing unique wet conditions this year, like many areas of the State, and unfortunately are losing flood flows that could be beneficially used if we could have additional storage in the region.

The Kings River service area totals 1.2 million acres. It serves agricultural, business, and residential communities, and portions of the three top-producing ag counties in the nation—that being Fresno, Kings, and Tulare Counties. Our main storage feature is the Pine Flat Dam, which is a Federal Army Corps of Engineers facility to which we have attached a hydrogeneration facility. We have a million acre-foot of storage there, providing critical supplies, flood control, and hydrogeneration for the region.

Nearly a million people live in the Kings River service area. Over three dozen cities, towns, and villages depend on groundwater conjunctively used and obtained from Kings River surface supplies to meet their municipal and industrial water needs. Most recently, the Cities of Fresno and Clovis have now become served in part with Kings River surface water.

The population of the area is rapidly growing. Projected growth rates in excess of 20 percent for the 10-year period between 2000 and 2010 creates substantial pressure on our water and power resource planning. Water storage has long been a part of resource planning in the Kings River service area.

We began constructing groundwater recharge basins back in the 1930s, in recognition that there were periods where excess flows or flows in excess of irrigation could be captured and placed back into the groundwater basin. That effort has expanded in numerous

programs in water storage recharge and quality involving now 37 local agencies within the Kings River service area.

We have over 5,000 acres of recharge ponds and flood control basins, with capacity of recharging more than 100,000 acre-foot of water per year. Several thousand miles of unlined canals also have direct recharge benefits.

The Consolidated Irrigation District, who is probably the king of recharge in our region, began their first percolation basin in 1932, and today are operating at full capacity to take every drop of water they possibly can in this extremely wet period. The Cities of Fresno and Clovis, the Fresno metropolitan flood control district, and the Fresno Irrigation District are involved in cooperative implementation of surface and groundwater management.

And the Kings County Water District and the Hanford-Lamore service area have 1,600 acres of groundwater recharge facilities and are now developing a new banking project that will yet again take advantage of excess flows.

Most recently, the project that Mr. Costa referred to, the relationship between Fresno Irrigation District and the City of Clovis, has resulted in a 240-acre Waldron Pond banking facility—an exchange that will result in some 10,000 acre-feet of new water supply for the region. Building on these past successes to address surface and groundwater storage and address water quality and environmental issues, the agencies within our region have begun to recognize the power of regional planning and coordination.

There are a variety of cooperative efforts. Six are actually highlighted in my written testimony that are developing to address water supply, water quality, and environmental improvements. I would like to highlight two very quickly.

The Upper Kings River Water Basin Forum is a multi-stakeholder group involving representatives of local districts, cities, counties, and other interest groups. The forum is developing to develop a regional water resources management plan and has some successes to date in generating some state funding to construct additional recharge and conveyance facilities.

Thanks to the efforts of Mr. Costa, then a State Senator, to ensure to Prop 13 money was equitably distributed into the San Joaquin Valley, we were able to bring \$7.3 million into the region to construct the Waldron Pond, to construct recharge facilities in the Alta Irrigation District and in the City of Dinuba, and to support to feasibility studies by my district to continue to explore areas to recharge.

There are 10 cities, 3 counties, multiple resource agencies, water districts, and environmental interests involved in the forum.

Quickly, the second program would be the Kings River Fishery Management Program, which was an effort launched in 1999 to develop a sustainable fishery below the Pine Flat Reservoir. This is a program that has evolved into participation from the 28 members of the Kings River Water Association who have contributed water supply, water through storage and flows, as well as funding to address factors affecting fishery and habitat issues in the Kings River.

In conclusion, the development of storage in the Kings River has obviously provided a multitude of benefits—water for homes, farms,

and industries, recreation, flood control, hydropower, and replenishment of our underground water storage. Our emphasis of late has been on groundwater expansion, and it remains to be seen if groundwater storage on its own can meet all of our needs.

Groundwater storage comes with limits and constraints, conveyance, slow recharge rates, and the high cost of energy to extract banked and recharged groundwater are challenging issues. There is no question that storage provides the reliability of water supply that is the key to stabilizing our groundwater basins, maintaining high water quality, and providing environmental enhancement.

Undoubtedly, additional surface and subsurface water storage would be of a benefit to help us regulate the tremendous variability in water flows.

Again, I thank you for the opportunity, and our district stands ready to work with members of the Congress and your Committee in advancing that storage.

Thank you.

[The prepared statement of Mr. Orth follows:]

**Statement of David Orth, General Manager,
Kings River Conservation District**

Chairman Radanovich and members of the Subcommittee, my name is David Orth. I am the General Manager of the Kings River Conservation District. I would like to thank you for the opportunity to testify to you about exciting developments centered around regional water resource planning in the Kings River service area and how it relates to the economic and environmental benefits of new water storage in the San Joaquin Valley to the state and nation.

Background

The Kings River is the source of life for a rapidly growing region in Central California that is also part of the world's most productive agricultural area. The Kings River's water development history has been one of steady and tenacious advancement against a backdrop of difficult physical and legal challenges that out of necessity had to be overcome for progress to occur.

One such important example of forward movement was establishment of the Kings River Water Association (KRWA). Consisting of 28 locally operated public districts and mutual water companies, the KRWA administers all of the water flowing in the Kings River. Since 1927, the Association has allocated and administered water distribution for over 1.1 million acres of farmland and urban areas within the Kings River service area.

Pine Flat Dam and the 1,000,000 acre-feet of storage it provides makes possible the use of the Kings River water for irrigation in a more beneficial and convenient manner than was possible prior to its construction. The dam has also proven to be a successful and effective flood management tool. The runoff from the Kings River fluctuates greatly, ranging from a high of almost 4.5 million acre-feet to a low of 390,000 acre-feet, with an average annual runoff of 1,745,000 acre-feet. Flood releases from Pine Flat Dam since it began operations in 1954 have ranged from 9,700 acre-feet to 2,302,110 acre-feet. The Dam also creates storage essential for clean renewable hydropower generation at the Jeff L. Taylor Pine Flat Power Plant.

In 1951, the KRWA and other river stakeholders took steps to secure the natural resources in the San Joaquin Valley by obtaining special legislation to form the Kings River Conservation District (KRCD). Today, KRCD is a leading resource management agency for the Kings River region serving agriculture, business and residential communities within 1.2 million acres spanning portions of Fresno, Kings and Tulare counties, three of the top agricultural producing counties in the nation. The mission of KRCD is to provide flood protection, cooperate with other agencies achieve a balanced and high quality water supply, and develop power resources in the Kings River area for the public good.

Irrigated agriculture is the mainstay of the economic well being of the Central Valley. Agriculture provides nearly 20 percent of jobs in the Central Valley and plays a vital role in California's economy, with a value of more than \$30 billion. California agriculture contributes positively to the U.S. balance of trade payments leading in agricultural exports. California ships more than \$6.5 billion in

agricultural products around the world. Agriculture is a major component of the economy of the Central Valley and a critical part of the state's economy and the nation's food supply. The rich soil and moderate climate are important factors contributing to the bounty of the Valley, but water is the true lifeblood.

Nearly a million people live within the Kings River service area. Nearly three-dozen cities, towns and villages depend upon groundwater conjunctively used and obtained from Kings River surface supplies to meet their municipal and industrial water needs. At the same time, the valley's population is rapidly growing and the demand for additional water is increasing. The population of the Central Valley is expected to grow 24 percent between 2000 and 2010, making it the fastest growing region in California. A growth rate of this magnitude creates substantial pressure on our water and power resources.

Meeting this demand is challenging, and must occur by increased efforts to efficiently and effectively manage our existing resources. As a resource agency that provides support to the many entities that manage the water on the Kings River, KRCD has become involved in numerous regional efforts with the goal of providing a balanced and high quality water supply in an environmentally sensitive manner to the residents and water users within the Kings River region.

Many studies and preliminary assessments of possible water supply enhancement projects for the Kings River service area have been conducted by KRCD over the years. Potential storage projects, such as Rodgers Crossing and Dinkey Creek, were examined in past years for the benefits each might yield in the way of increased water supply, storage capacity and hydroelectric generation. No such project has been developed.

Even before KRCD was formed and Pine Flat Dam was built, water storage was part of resource planning in the Kings River service area. The earliest groundwater recharge basins began to be developed in the 1930s as a means of taking advantage of river flows well in excess of irrigation needs. From those early beginnings, the effort has expanded to numerous programs in water storage, recharge and quality through the coordinated effort of the thirty-seven agencies that have a role in the Kings River's water resources.

Overdraft of the groundwater resource is the primary problem to be addressed in the Kings River Basin. Overdraft is evidenced by declining groundwater levels, increased pumping costs, and loss of groundwater supply in some areas. Overdraft increases competition for the available supply and creates conflicts between agricultural, environmental and urban water users, and between geographic areas within the region. Declining groundwater levels and groundwater migration across jurisdictional boundaries are also a potential source of increased conflict.

Within the Kings River region, there are over 5,000 acres of recharge ponds and flood control basins with the capacity of recharging over 100,000 acre-feet of water annually, along with several thousands of miles of unlined canals that have direct recharge benefits. One of the oldest direct recharge programs is Consolidated Irrigation District's (CID) recharge program in the Selma and Kingsburg areas. A San Joaquin Valley pioneer in groundwater management, CID began its recharge program by acquiring its first percolation basin in 1932. An initial plan of sixteen ponds eventually grew to forty-six basins covering 1,300 acres located in the sandy soils of the Kings River's alluvial plain. South of the river, the Kings County Water District maintains 1,600 acres of groundwater recharge facilities and is developing a new water-banking project at Apex Ranch, in the Old Kings River channel south of Kingsburg. Other Kings River units have developed a number of groundwater recharge basins.

The Cities of Fresno and Clovis, the Fresno Metropolitan Flood Control District and the Fresno Irrigation District are involved in the cooperative implementation of a comprehensive surface and groundwater management effort. The main thrust of the long-standing Fresno/Clovis Area Recharge Program involves the use of flood control basins for recharge during the summer when they are not needed to control urban storm runoff.

The Fresno Irrigation District, (FID) in a unique long-term partnership with the City of Clovis, has launched a bold exchange project that annually will result in some 10,000 acre feet of "new" water for the area, while helping supply the City's recently constructed surface water treatment plant. The 240-acre Waldron Pond is a water banking facility west of Fresno that will capture excess spring runoff from the Kings and San Joaquin rivers and percolate it into the huge underground reservoir underlying Fresno County. Since Clovis is upstream of the new "bank," it will receive water from FID's Enterprise Canal, while FID pumps an equal amount from the new banking site for surface delivery to Kerman area farmers. The partnership is a model of how cities and irrigation districts can cooperate. With both the Cities of Fresno and Clovis recently completing the construction of surface water

treatment plants, there is the potential for similar innovative solutions in other suitable locations.

The Tulare Lake Bed Coordinated Groundwater Management Plan was developed and adopted in May 1995. The Plan encompasses over 250,000 acres. It includes about 246,000 acres of productive agricultural farmland and approximately 4,500 acres of municipal and industrial land. Currently, Plan participants include seven public water districts, the City of Corcoran, and several private landowners. The Plan documents the local groundwater management practices, encourages the importation of surface water from the State Water Project, promotes efficient water practices and conservation programs and acts to preserve local groundwater management.

Current Regional Efforts

Building on these past successes to address surface and groundwater storage, water quality and environmental enhancement, KRCD, the KRWA and other resource entities began to recognize the power of regional coordination. Collaboration across jurisdictional boundaries has many benefits including:

- Avoiding protracted legal battles and loses on both sides.
- Allowing for sharing of financial and technical resources.
- Building relationships.
- Considering all uses of water: agricultural, urban, and environmental.
- Gaining preference from state and federal legislators and administrations.

At this time, a variety of cooperative efforts to preserve our valley's water resources are taking shape. Some of these endeavors include the Upper Kings River Basin Water Forum, the North Fork Conjunctive Management Group, the Kings River Fisheries Management Program, the Southern San Joaquin Valley Water Quality Coalition, the McMullin Recharge Group, and the Fresno County Water Management Group.

The Upper Kings River Basin Water Forum (Water Forum) is a multi-stakeholder group. Representatives of local water districts, cities, counties, and other interest groups comprise the Water Forum. It provides the wide array of input and support needed so regional benefits are achieved and priority issues are addressed. Water Forum participants realize that water, land use, and environmental resource issues are interrelated and of regional scope, and that both local and regional solutions are required. This ensures that responses to one issue do not result in undue impacts on other issues. The Water Forum has developed guiding principles as it goes forward with its regional planning. Some of them include:

- Educating and providing awareness to all participants and stakeholders.
- Improving coordination and developing a cooperative process toward resource planning.
- Complementing Kings River water rights.
- Utilizing a voluntary, consensus-driven process.

The Water Forum started through the cooperative efforts of Consolidated, Alta, and Fresno irrigation districts and KRCD. The Basin Advisory Panel was instrumental in obtaining Prop. 13 funds totaling \$7.3 million because it was a multi-stakeholder effort. The funding went toward a variety of local projects including:

- FID's Waldron Pond located near the City of Kerman. Waldron Pond is the first groundwater banking facility to be constructed within FID.
- Alta Irrigation District's Harder Pond, a banking program that utilizes flows that Alta hasn't been able to put to beneficial use. It will help recharge the aquifer on the east side that diminishes in dry years.
- The City of Dinuba ponding basin, a recharge pond supplied by local runoff.
- A feasibility study conducted by KRCD of possible sites in which to construct recharge basins in an area of KRCD that does not have surface water supplies and consequently has a severely over drafted aquifer.

Water Forum participants are developing a Kings Basin Integrated Water Resources Management Plan. The Plan will define projects and programs to manage and develop the surface water and groundwater supplies in a sustainable manner. The Plan will be the result of a collaborative planning process that is intended to plan for the future as well as reduce or avoid conflicts related to the water supply, groundwater management, ecosystem restoration, and water quality. Some of the regional planning objectives of the Water Forum include:

- Compiling an inventory of existing water resource plans and policies for the region.
- Developing an integrated hydrologic model to evaluate water budgets, define basin operations and evaluate alternatives analysis.
- Generating locally based water demand and needs analysis.

Currently the Water Forum is preparing a Prop. 50 Project Grant application to secure funding totaling approximately \$32 million for projects that will address the region's groundwater overdraft. The projects identified for funding include:

- Using reclaimed water from the City of Clovis's water reuse facility to irrigate park strips, freeways and landscaping. This is an in-lieu recharge project (meaning that a source of surface water would be used in lieu of pumping groundwater).
- Using recycled water from the City of Dinuba's water reuse facility to irrigate a municipal golf course. This is an in-lieu recharge project.
- Banking flood waters from the Kings River in a 64-acre ponding basin developed jointly by Fresno Irrigation District and Consolidated Irrigation District.

Member Agencies of the Water Forum

City of Fowler	Consolidated Irrigation District
City of Kingsburg	Fresno Irrigation District
City of Reedley	Raisin City Water District
City of Sanger	Fresno Audubon Society
City of Selma	California Native Plant Society
City of Kerman	Kings River Fisheries Management Program
City of Parlier	Public Advisory Group
City of Clovis	El Rio Reyes Trust
City of Fresno	California Water Institute
City of Dinuba	Department of Water Resources
County of Fresno	Center for Collaborative Policy
County of Kings	California Department of Fish & Game
County of Tulare	Regional Water Quality Control Board
Alta Irrigation District	Kings River Water Association
Kings River Conservation District	URS Corporation

Water agencies from western Fresno and Kings counties have formed the North Fork Conjunctive Water Management Group to explore potential projects and conduct studies that can provide benefits for the valley's water supply. Members include Murphy Slough Association, Crescent Canal Company, Stinson Canal and Irrigation Company, KRCD, Burrel Ditch Company, Liberty Canal Company, Laguna Irrigation District, Riverdale Irrigation District and California Department of Water Resources.

A model partnership has been forged between KRCD, the Kings River Water Association and the California Department of Fish and Game to create the much-heralded Kings River Fisheries Management Program. Launched in May 1999, the Kings River Fisheries Management Program is a cooperative effort to enhance the broad range of fish and wildlife resources of the Kings River and Pine Flat Reservoir, while protecting the established water rights held by Kings River water users. The program relies heavily on strong public involvement through its Public Advisory Group.

Based on the results from comprehensive research and careful monitoring, KRCD—along with the KRWA and the California Department of Fish & Game (CDFG)—implements a variety of enhancement projects to benefit fish populations while helping to meet the desires of anglers and other outdoors enthusiasts on Pine Flat Reservoir and the river downstream from Pine Flat Dam. The projects are funded by the three agencies. They have, in total, jointly made a \$2 million commitment to the program over a 10-year period with which to develop numerous fishery enhancement projects in the river.

In addition, the 28 member units of the KRWA voluntarily made available 12 percent of their Kings River water supplies in order to create a temperature control pool of 100,000 acre-feet within Pine Flat Reservoir. The KRWA's member agencies also agreed to make available higher flows of water from the dam at times of the year in which there are no irrigation or flood release demands. The CDFG has termed the Fisheries Management Program "a model" for cooperation in addressing fishery issues.

KRCD has been monitoring the water quality of the Kings River since 1978. However, in recent years, water quality issues and regulations have increasingly become a major focus for California water agencies, including KRCD. The Southern San Joaquin Valley Water Quality Coalition was formed for the purpose of jointly and cooperatively addressing water quality issues common to the water and resource agencies in the Tulare Lake Basin watershed. The Coalition's members are working

with the Central Valley Regional Water Quality Control Board to implement watershed coalitions on the various river systems to comply with the Conditional Waiver of Agricultural Discharge with a focus on the Tulare Lake Basin watershed as a unique hydrological region separate from the Delta.

The Southern San Joaquin Water Quality Coalition, formed in 2002, serves the Tulare Lake Basin watershed from the San Joaquin River south to Kern County. Members of the Coalition include primary resource management agencies on the Kings, Tule, Kaweah and Kern Rivers that drain into the Tulare Lake Basin. Coalition members are dedicated to protection and preservation of San Joaquin Valley water quality. The Coalition has implemented additional water quality monitoring and collection points at various locations to supplement data that has been collected historically, and has embarked on an extensive public outreach program.

The McMullin Recharge Group was formed in 1999 to address the long-term water supply imbalance in the Raisin City area caused by the total lack of surface water available for irrigation. The area is outside of, but adjacent to, the Kings River service area and is irrigated fully utilizing pumped groundwater. Studies are being conducted to locate the best sites for recharge basins in the 148,000-acre project area. Members of the group include the James Irrigation District, Mid-Valley Water District, Raisin City Water District, Tranquillity Irrigation District, KRCD, and Teranova Ranch, Inc.

A newly developed regional effort is in the early stages of forming, the Fresno County Water Management Group has developed a work plan and draft MOU between water purveyors, the county, incorporated cities and the building industry to catalog demand and supply and to address cooperative solutions to water supply issues. All of these regional efforts are setting forth the plans and identifying the projects that will be needed to ensure our Valley's future water supply.

Conclusion

Development of storage on the Kings River has provided a multitude of benefits: water for homes, farms and industries; recreation; flood control; hydroelectric power; replenishment of the valley's underground water storage, and for flows for environmental enhancement. The river has developed into an effective project of conjunctively using supplies of surface water and groundwater to create a steady and reliable supply of water and clean affordable power throughout much of the Kings River service area. Such a reliable water supply has fueled the San Joaquin Valley's economic engine while providing tools necessary to implement successful environmental enhancements and maintain water quality. However, water demands and needs within this rapidly growing region are increasing.

Thus, Kings River interests are pressing forward with regional planning that includes additional storage so the Valley has the new supplies of water needed to maintain agriculture, supply the needs of the residents, meet the demands of the business sector and provide fishery enhancement.

In recent years, there has been a change in water storage emphasis on the Kings River, from unsuccessful attempts to develop additional surface water storage to turning toward development of additional groundwater basin storage in order to supplement Pine Flat Reservoir's capacity of one million acre-feet.

This effort has resulted in significant successes although it remains to be seen if groundwater storage, on its own, can meet all needs. Indeed, it has become evident that increasing reliance upon groundwater storage is not necessarily a silver bullet. It comes with limits and constraints—not the least of which involve conveying river water to often distant groundwater recharge percolation or banking basins, and the relatively slow physical rate that water seeps into the ground when compared with the huge flow quantities that rain and snowmelt flood events can generate. There are also increasing concerns in today's resource-conscious environment over the need to make use of costly and frequently short supplies of energy to extract groundwater banked from high surface flows for future use. Finally, as agencies attempting to develop groundwater-sinking facilities have learned, for a number of reasons not all neighbors are anxious to have a new pond next door.

In the bigger picture, there is no question that reliability of the surface water supply is the key to stabilizing groundwater supplies and maintaining high water quality. Undoubtedly, additional surface and subsurface water storage features will be a benefit to regulate the tremendous variability in flows, which are characteristic of the Kings River. Ultimately, additional surface water supplies will need to be developed to offset the existing groundwater overdraft. Without these continuing efforts, the area served by this river will one day be short of this key ingredient necessary to insure continued prosperity.

Mr. RADANOVICH. Thank you, Mr. Orth. Appreciate your testimony.

[Applause.]

I now recognize Mr. Prosperi to testify. Denis, welcome to the Subcommittee.

**STATEMENT OF DENIS PROSPERI, FARMER,
MADERA, CALIFORNIA**

Mr. PROSPERI. Thank you, Mr. Chairman and members of the Subcommittee. I appreciate being invited today.

Mr. RADANOVICH. Can you pull that up a little closer, Denis?

Mr. PROSPERI. Get closer?

Mr. RADANOVICH. Yes.

Mr. PROSPERI. I appreciate you inviting me today to speak. I am a farmer in Madera, have been for 35 years, and I am Chairman of the Madera County Water Committee on the Aliso Water District, Chairman of the Madera County Farm Bureau Water Committee, and have been pretty active in water, as Congressman Radanovich I am sure is aware of. And I do appreciate this meeting today.

To echo what my two neighbors to the right of me said, and to tie in to what Congressman Costa alluded to in his speech, which I think was very apropos about the toolbox, I think the toolbox—all the different things we can do to solve the water problem is the key.

But I am here to say, and you have heard it from the two guys to the right of me today, the toolbox—am I not talking loud enough, George?

Mr. RADANOVICH. No, you are fine. I think you are OK.

Mr. PROSPERI. I am sorry. The toolbox, agriculture, and this Valley has stepped up to the plate. Sixty years ago when we were running out of water, you know, our leaders and agricultural people in this community got together and the water people and we built the dam. We created the first conjunctive use, which is kind of key word you hear today about conjunctive use. We have been doing conjunctive use in this Valley for 60 years called the Friant Water Users Authority and percolating over 1-1/2 million acre-foot of water in the ground.

Later on, the last 10 years, agriculture again with the water people were asked to step up to the plate and figure out ways to conserve water. We went to drip irrigation, micro irrigations, and computerized systems, and as you all know the efficiency levels have gone way up, and so has the conservation.

Once again, we were asked to figure out ways to store water without building dams. We stepped up to the plate. You heard the projects—water banks here, enhancement programs there, more groundwater storage, more coming, agriculture, City of Fresno, the Waldron Project. I can go on and on; I think you get the hint.

There comes a time when you have stepped up to the plate, you have done what you have been asked, but we are still short of water. November, the last two weeks, ran 8,000 cubic feet per second down the river. That is 16,000 acre-feet a day. That is—to put that in perspective, the City of Madera uses around 30,000 acre-feet per year. Forty-eight hours, the San Joaquin River, more water

went down that river than the City of Fresno would have used in the whole year.

Water banks, great idea. Water enhancement programs, great idea. Madera County—MID has a new water enforcement program I would like to speak on. That is a great project. The MID is fully equipped to manage it, control it. They have reached out to their neighbors in the neighboring districts. They have gone about building the project in a proper fashion. They have good leadership. And the water bank that they are putting together has the potential to help Madera County with our severe overdraft.

Madera County is classified as one of the most severe overdrafted counties in the State. We have over 100,000 acre-foot of overdraft a year. Will it solve the problem? No. Will it alleviate it? Yes. Will it buy us time to fix the problems that we have? Yes. But when you put it in perspective, you have a water bank that can take in 200 or 300 cubic feet per second compared to 8,000 going down the river last week, it gives you the idea of what can be done with water banks.

Mr. Orth alluded to that in his speech, about the timing, the percolation rates. My point is agriculture and our water people have really worked hard in the last 50 to 60 years. They didn't just start last week. They have been working very hard to try to find ways to solve water problems, but there comes a point you actually have to store more.

What does more storage give us? It gives us more conjunctive use. What have we been doing for 60 years? We have been conjunctively using the Millerton Lake. But there is only so much you can get out of a 500,000 acre-foot lake that has the same watershed as a million acre-foot lake in the Kings River.

So in that regard, we created the San Joaquin River Resource Management Coalition, and that coalition consists of three—well, it consists of a lot of people. It consists of all the water districts along the river, all of the landowners, the exchange contractors, Aliso, Gladley Ford, MID, Chowchilla.

We decided to take a proactive—not just sit here like many constituents that the Congressmen here throughout the United States on problems demanding to be heard. We don't demand anything. We do demand to be part of the solution. And with that regard and with the help of the Chairman of the Committee here, we were able to obtain a \$1 million grant from the EPA. Have spent over two years looking at river restoration, what are the constraints, what could be done, what could be done if we had new water, and we didn't encroach on anybody's current water uses.

And with that came the conclusion, which is going to be ruled out here in the next month or so, that, yes, you can do more to help for a warm water fishery. But to restore the San Joaquin River without putting hundreds of thousands of acres of land out of production is an impossibility, even with more storage.

We also, through the RMC, have created the San Joaquin River Task Force, which brought in three counties—Merced, Madera, and Fresno County supervisors—along with the RMC, exchange contractors, and the Friant Water Users Authority. And with that, we are looking at many issues on the river.

When you look at a dam, you are thinking of water and the cost, and you are going to hear about the cost of the water. Can the communities afford the cost? When you have the United States Army Corps of Engineers, Sacramento, San Joaquin Basin's comprehensive study that was a few years ago looking at spending \$3 billion flood control on the Sacramento and San Joaquin Rivers, and if you presume even a third of that money was going to be on the San Joaquin River, that would pay for your dam.

When you consider the ring levees that were proposed to put around Firebaugh, and the 60 miles of levees to protect downstream flooding, which eventually will happen again, you begin to wonder if our priorities are in the right spot.

And I see I have the red light, so I will speed it up.

Mr. RADANOVICH. Well, you can wrap it up if you want to.

Mr. PROSPERI. OK. When you see that—

Mr. RADANOVICH. I mean, I know you don't like to talk much, but—

Mr. PROSPERI.—you have to wonder—

[Laughter.]

Thanks, George. When you see that, you have to ask yourself: are we allocating our resources in the best possible method? When you look at the FEMA flood plain study that is going on that is changing the flood mapping on the Madera and Fresno side of the San Joaquin River, and what that is going to do to private property rights, you have to ask yourself: are we spending our money wisely?

To do nothing, which is what we have done in water for the last 20 years, is a decision. And sometimes societies are afraid to make decisions, because they might make the wrong one. But making no decision is making a decision.

And with that, I would like to thank the Committee. And, specifically, I know you have a great committee, George, but I would like to point out to Ms. Napolitano—I would like to personally thank her for coming on the tour of the San Joaquin River last year and coming from Southern California. I thought she was here really to learn about the river, and I appreciated that.

Thank you.

[The prepared statement of Mr. Prosperi follows:]

Statement of Denis Prosperi, Owner, Denis Prosperi Farms

Testimony Outline

San Joaquin River Resource Management Coalition

1. Background of local stakeholders mobilization
2. NRDC Friant settlement USJRRP Process
3. Enron - Madera Ranches Water Bank
4. U.S. ACOE Sacramento and San Joaquin Basins Comprehensive Study
5. CALFED Upper San Joaquin River Basin Storage Project Investigation
6. San Joaquin River Resource Management Coalition - Upper San Joaquin River Conceptual Restoration Plan Study
7. FEMA study of the 100 year flood event

The San Joaquin River Resource Management Coalition was formed in order to proactively deal with these issues. The RMC immediately secured EPA grant money to comprehensively study the issue areas as one project. The Upper San Joaquin River Conceptual Restoration Plan is in the last phases of being accomplished. The plan provides a sound scientific analysis of what is achievable restoration and restoration goals that are NOT achievable. It also develops a decision framework that

will allow the local stakeholders and other affected parties to use to evaluate and make sound decisions about any purposed restoration projects.

The RMC goals are:

1. Stay actively involved in the Upper San Joaquin River issues that affect both landowners water and property rights.
2. Become the clearing house for all purposed projects on the upper San Joaquin River.
3. That San Joaquin River Restoration plans needs to be based on making "New" water available and not taking existing San Joaquin River water users supplies.
4. Evaluate the on going studies of the San Joaquin River as it pertains to flood control operational efficiencies.

Benefits to surface storage:

1. Create new water supply for San Joaquin River Conceptual Restoration plan.
2. Eliminates the need to spend additional dollars for down stream flood protection and therefore attains the goals of the U.S. ACOE Sacramento and San Joaquin Basins Comprehensive Study
3. Allows for a practical conclusion on the FEMA study (see attachment)
4. Allows conjunctive use and ground water storage projects to be much more efficient both from a water supply and cost stand point.
5. Friant dam has allowed for a valley wide conjunctive use of surface water for over 60 years, additional surface water storage would allow for more conjunctive use which should be everyone's goal.

FEMA Flood Plain Issues on the Upper San Joaquin River

1. The flow rate of the 100-year flood has been computed by the U.S. Corps of Engineers. The rate is the basis for the FEMA flood insurance rate maps showing areas that flood during a 100 year flood event.
2. The Corps has computed the theoretical flow on numerous occasions and it always was in the range of 20,000 to 25,000 cfs up until the 1997 flood event.
3. After the floods of 1997 the Corps and the State Reclamation Board jointly performed the San Joaquin and Sacramento River Basins Comprehensive Study.
4. The Corps revised flow rate after the 1997 flood is approximately 71,000 cfs.
5. In 2003, Madera and Fresno Counties filed an appeal with FEMA of the 71,000 CFS based in hydro logic studies performed by a consultant which demonstrated that the flow should be about 21,000 cfs.
6. In 2004, the Counties also filed a Letter of Map Request (LOMR) to change the flood inundation mapping to the 21,000 cfs flow.
7. In 2005, the FEMA denied the appeal of the flow rate and rejected the LOMR since it was based on the same information.
8. Currently the counties and local stakeholders are working on a new LOMR for submittal to FEMA based on new information,

Mr. RADANOVICH. Thank you, Mr. Prosperi. Appreciate it.
[Applause.]

I now recognize Mr. Carter from the Revive the San Joaquin to testify. Mr. Carter, welcome to the Subcommittee, and you may begin.

**STATEMENT OF LLOYD CARTER, DIRECTOR,
REVIVE THE SAN JOAQUIN, CLOVIS, CALIFORNIA**

Mr. CARTER. Good morning, Chairman Radanovich, and members of the Committee. My name is Lloyd Carter. I have been writing about California water issues since 1969, first as a long-time reporter for UPI and also for a few years as a Fresno Bee reporter. I have also taught water law at San Joaquin College of Law, and continue to write and speak on Valley and State water issues.

I appreciate the opportunity to address the Subcommittee, and welcome Congressman—Congresswoman, excuse me—Napolitano to Fresno.

I applaud the addition of Congressman Costa to the Subcommittee. He has a wealth of knowledge on State water issues that I hope the Subcommittee will utilize.

I am the President of the nonprofit California Save our Streams Council, but I speak today as a director of a new Fresno-based group Revive the San Joaquin, which believes that it is possible to have a restoration of fishery flows and still protect the east side farming economy.

Our board members include members of the Parkway Trust, concerned citizens, and one brave Kerman farmer who fished for salmon as a boy along the banks of the San Joaquin before it went dry. We are not radical extremists, San Francisco elitist environmentalists, to use the labels of some Friant interests. We believe compromise is possible, and much of the water war rhetoric is counterproductive.

We don't stereotype farmers any more than we stereotype environmentalists, and we disapprove of much of the name calling and sloganeering that has been going on. However, I must say I do not believe this current battle over the river is about farmers versus fish, unless you ignore the legitimate demands of South Delta farmers who are downstream on the river, commercial salmon fishermen, and the safe drinking water needs of 22 million people who get their water from the Delta.

Nor is it about fish versus food, unless you believe that salmon and trout and bass are not food. Our groups believe that the San Joaquin River is a public trust resource owned by all Californians, and that some water going down the river to the Delta is good for all of us, providing many benefits not only to a restored fishery but to groundwater recharge for farmers in Madera County, which I know these two gentlemen on each side of me are interested in, farmers in Merced, Stanislaus, and San Joaquin Counties.

Water going down the river has expanded recreational opportunities for our growing urban population, and it improves drinking water quality in the Delta. I want to mention a few fundamental facts here that don't get mentioned very often. In an average water year, about 75 percent of the San Joaquin River goes to Kern and Tulare Counties, which are out of the watershed.

Fresno County, including farming, only gets about 8 percent of the river. Madera gets the rest. The North Valley riparian counties get zero. There in the Valley now, if we are going to have people keep talking about our Valley, we have to include the people in the North Valley. That is the Delta. And sad as I am to report to many folks, San Francisco and San Francisco Bay is downstream on the San Joaquin River. So we need to talk about everybody who gets a piece of the action on the San Joaquin River.

In a good water year, like we are having this year, two districts in the southern end of the Friant-Kern Canal—Arvin-Edison and Lower Tule—they get well over—they are eligible to receive well over 500,000 acre-feet of cheap Class 2 water. That is almost a third of the river going to two districts. You can imagine the skepticism of farmers in the south Delta when the southern interests in the Friant unit talk about our water and our valley.

I don't want to get into the NRDC lawsuit today. That is a snake pit, if there ever was one. But I do want to say that the State of California has sided with the NRDC. This is a matter of state law. And as folks who respect states' rights, I hope you understand that this is a state water law issue.

I don't believe that Judge Carlton is a renegade rogue judge. I have read all of the rulings. He has been repeatedly affirmed by the Ninth Circuit. He has said in his written orders that he is going to be reasonable in providing a solution for the Valley, and I think he will be.

What we need to realize here is that the San Joaquin Valley is quickly urbanizing. Several million people are going to settle here in the next few decades. They are going to take water away from agriculture, and they are going to speed up the conversion of prime farmland. East side farming can grow food, or it can grow subdivisions. Either way they will be doing it with a publicly owned resource that ends up in private pockets.

Some folks in farming, and I include the two guys beside me, want to stay in farming, and I applaud that. I applaud folks in the Friant unit that want to keep the irrigation water for irrigation and not create a class of water marketing middlemen who buy water cheap from the public and sell high to Southern California.

Chairman Radanovich, you are well aware there is a lot of infighting going on in the Friant unit. Those folks need to settle all of their battles. I want to briefly mention CALFED. They have spent \$3 billion in the last 10 years, and everybody is starting to ask, "Where did the money go?" They called for an audit on Wednesday. I am sure this committee would love to have that \$3 billion back.

I don't want to, however, denigrate the good work done by the folks at CALFED, many folks trying to work solutions, but the CALFED record of decision, which I recommend to the committee to review, said three things on their upper San Joaquin river storage investigation—restore the river, improve water quality in the San Joaquin River, and improve urban drinking water quality.

Any solution that you are going to deliver I believe has to talk about a partially restored San Joaquin River. And let us meet the public's trust needs first, and then let us divide the other 80 percent. I don't believe that the Judge is going to order that any more than 15 or 20 percent of this river is going to be required for fishery restoration. There is going to be a lot of additional benefits down the river besides fishery.

The fish and game studies in the 1950s said they only thought they needed about 180,000 acre-feet, which is 12 to 15 percent of the average annual flow, to restore a salmon run. Kole and I have talked many times about sending water down the river. You can recapture it at Mendota. You can recapture it at Delta. We need to bring our 19th century plumbing system in this Valley into the 21st Century.

So the last thing I want to say is that Bill Swanson, who is the CALFED contract engineer for Montgomery, Waterson, Harza doing studies, they say a dam at Temperance Flat is only going to generate about 200,000 acre-feet of water, the last 15 percent of the river. And the price tag that I have heard—somebody can correct me—was a few hundred million to a billion plus to build a dam at Temperance Flat. And the water is going to cost somewhere between \$300 to \$500 an acre-foot.

Now I know my farmer friends don't want to spend \$500 an acre-foot for water. So the Committee needs to ask some hard questions about the feasibility of a dam.

Last but not least, I am greatly encouraged by water banking, and I believe that that is the cheapest way, the safest way. The head of the EPA said on Wednesday in The Los Angeles Times, "Our lakes are particularly vulnerable to terrorist attack." If you store water in the ground, it is protected; there is no evaporation loss. I believe that groundwater storage is the way to go.

I thank the Committee.

[The prepared statement of Mr. Carter follows:]

Statement of Lloyd G. Carter, Director, Revive the San Joaquin

Good morning Chairman Radanovich and members of the subcommittee. My name is Lloyd Carter. I have been writing about California water issues since 1969, first as a long-time reporter for United Press International and also for a few years as a Fresno Bee reporter. I have also taught water law at San Joaquin College of Law and continue to write and speak on Valley and state water issues. I appreciate the opportunity to address the subcommittee. I also applaud the addition of Congressman Costa to the subcommittee. He has a wealth of knowledge on state water issues that I hope the subcommittee will utilize.

I am the President of the non-profit California Save Our Streams Council, founded in 1981, but I speak today as a director of a new Fresno-based group, Revive the San Joaquin, which believes that it is possible to have a restoration of fishery flows and still protect the Eastside farming economy. Our board includes members of the Parkway Trust, concerned citizens and one brave Kerman farmer who fished for salmon as a boy along the banks of the San Joaquin River where it now runs dry.

We are not radical, extremist San Francisco elitist environmentalists, to use the labels of some Friant interests. We believe compromise is possible and that much of the water war rhetoric is counterproductive. We don't stereotype farmers any more than we stereotype environmentalists. We disapprove of much of the name-calling and sloganizing which is going on.

However, I must say I do not believe this current battle in the never-ending water wars is about farmers versus fish, unless you ignore the legitimate demands of South Delta farmers and the safe drinking water needs of 22 million people. Nor is it about fish versus food, unless you believe that salmon and trout and bass are not food. A more accurate description is upstream and, I might add, out-of-the-watershed interests in a portion of the Friant Unit versus downstream interests, which include the Delta and the San Francisco Bay area, whether we like it or not.

Our group believes the San Joaquin River is a public trust resource owned by all Californians and that some water going down the river to the Delta is good for all of society, providing many benefits, not only to a restored fishery, but to groundwater recharge for farmers in Madera, Merced, Stanislaus and San Joaquin Counties, expanded recreational opportunities for our growing urban population, and improved drinking water quality in the Delta.

I need to first mention a few fundamental facts which seem to have been lost in the overheated rhetoric over the future of the San Joaquin River. In an average water year, about 75 percent of the San Joaquin River goes to Kern and Tulare counties, which are out of the watershed. Fresno County interests, including farming, get only about eight percent of the river and Madera County gets the remainder. The North Valley riparian counties get zero. In a good year such as the present year, just two districts on the southern end of the Friant-Kern Canal, Arvin-Edison and the Lower Tule River Irrigation District, are eligible to receive around 550,000 acre-feet of cheap class II water, almost a third of the river's average annual flow.

You can imagine the skepticism of farmers in the South Delta when southern interests in the Friant Unit talk about "our water" and "our Valley." Without getting into the pros and cons of the NRDC litigation, I would simply remind the subcommittee that the State Water Resources Control Board has sided with NRDC on the issue of whether state law should prevail and that Judge Carlton has been repeatedly affirmed by a panel of judges in the Ninth Circuit. He is not a renegade, rogue judge. He is following state and federal law.

Nor do I have to remind the subcommittee of the court battles looming when local interests, not only in Northern California but here in the Valley, began to invoke

the county-of-origin and area-of-origin statutes to protect their priority claims on their local rivers. Rumors that some in the Friant Unit want to promote repeal of the area-of-origin statutes will surely trigger yet another water war with Northern California.

The title of today's hearing is "Economic and Environmental Benefits of New Water Storage in the San Joaquin Valley." I hope and believe that's a carefully chosen title and exhibits a global approach to our common problem because it includes the whole valley and not just reservoir storage on the San Joaquin River or the desires of some elements of the Friant Unit.

The San Joaquin Valley is quickly urbanizing. Several million more people will settle here in the next few decades, taking water away from agriculture and speeding up the conversion of prime farmland. Eastside farming can grow food or it can grow subdivisions. Either way they will be doing it with a publicly owned resource that will only grow more valuable. Some folks in farming want to stay in farming and I applaud that. Some folks in agribusiness want to turn water into the new cash crop and cut deals with Southern California to commodify our most precious resource. A key question for Congress is if you fund a new dam will you be subsidizing future farming or future water marketing?

This committee needs to determine to what purpose any new storage facilities will be dedicated. I suggest a fair and equitable division between clean drinking supplies for the public, groundwater recharge, farming needs and fishery and recreational needs.

I fear that holding out the prospect of a dam at Temperance Flat as a solution to current water supply problems in ALL the valley, and I emphasize ALL, will take us in the wrong direction, raise false hopes and will only lead to more friction between stakeholders.

As Chairman Radanovich is well aware, there is some fierce infighting within the Friant Unit over whether some growers on the southern end of the Friant-Kern Canal are going to get rich re-selling river water to developers.

In addition, as we are all painfully aware, CalFed has spent \$3 billion in the last decade trying to solve California's water supply and water quality problems, particularly in the Delta. More alarming are recent news reports that zooplankton and open-water fish species in the Delta are collapsing, a development CalFed missed. And so, predictably, editorials and columns in Delta and Bay area newspapers have been asking if CalFed has been spending that money wisely. Critics, including some Members of Congress, say CalFed has gone off the rails and Californians certainly have not received any long-term solutions to the Delta crisis or the water supply problem. Indeed, the head of CalFed this week called for an audit to determine where the \$3 billion went.

However, I do not wish to denigrate all the work done by the folks at CalFed. There are lots of people of good faith earnestly seeking solutions to our state's water problems. The CalFed Record of Decision was very clear about the three purposes that were supposed to be served by the Upper San Joaquin River Storage Investigation: 1) restoring the San Joaquin River, 2) improving water quality in the San Joaquin River, and 3) improving urban drinking water quality. (ROD p. 45). This makes sense, because CalFed is about enhancing water supply reliability, water quality, and the ecosystem of the Delta—not providing more water to interests outside the river's watershed.

It appears the Bureau of Reclamation is choosing to ignore CalFed's conclusions on this point. I have seen no public statement from Bureau officials that they will pursue a storage project that will result in any additional flows between Friant Dam and the Delta—an obvious requirement if the mandated purposes of the Record of Decision are going to be met.

Nowhere does the CalFed Record of Decision mention local water supply enhancement, flood control, recreation, or hydropower, yet these are now the favorite "benefits" touted by proponents of Temperance Flat—even though it is my understanding that there will be no net hydropower benefits because a Temperance Flat project will flood out the power generating facilities at Kerckhoff Reservoir upstream from Friant Dam, a move sure to be opposed by PG&E.

The CalFed Record of Decision did not specifically endorse Temperance Flat. It only directed an investigation into increasing surface storage at Millerton or a "functionally equivalent" solution (ROD, p. 45) As I think you know, State Senator Mike Machado has a bill moving through the Legislature which will fund studies to find ways to both restore the San Joaquin River and protect East Side agriculture. Senator Dean Florez' bill to keep the status quo on the San Joaquin River was dead on arrival.

This committee will have to have the wisdom of Solomon to solve the water supply disputes just over the San Joaquin River, much less the San Joaquin Valley or lands encompassed by the Central Valley Project.

I also note that Department of Fish and Game studies conducted in the 1950s on restoring a salmon run indicated it would take about 180,000 acre-feet a year of water in pulsed flows, or only about 12-15 percent of the average annual flow. I have not heard any credible, objective figure over 20 percent of the river's flow in public discussions about how much water is needed to restore a fishery.

I do know that Judge Carlton has written that any river restoration must be "reasonable" which belies the reported claims of some Friant Unit interests that in dry years ALL the river's water will go to fish and agriculture will get none. That is simply speculative fear mongering.

When we consider the question of new storage, the issue is not do we need it—which we obviously do—but where do we store this water? For over 60 years, government experts and hydrologists have said that the ground is the cheapest and safest place to store water. Kern County, with its innovative water bank, is leading the way in this area. Madera Irrigation District, with its proposal for a Madera Groundwater Bank, is right behind. I believe groundwater banks should be a part of every irrigation district in the Friant Unit. I think this is the wave of the future.

I know Congressman Nunes is going to be seeking \$200 million from Congress for a retrofit of the dam on Lake Success because of concerns over earthquake safety. I'm not sure how much success this subcommittee will have convincing Congress and the President that we need an additional \$700 million to \$1 billion to build a dam at Temperance Flat. I know this committee held a hearing this past week on creating a trust fund for clean water and that America faces a water infrastructure funding gap of \$400 billion of dollars over the next 20 years. It is estimated that it will cost \$20 billion annually for the next 20 years to build, repair and maintain deteriorating water systems in this country. Your subcommittee, presumably, has to make the initial tough choices on which water projects to recommend for funding by the full Congress and the President.

Can there be a living San Joaquin River with a healthy fishery and a stable Eastside farm economy? Yes. It's being done on the Merced, Tuolumne and Stanislaus rivers. Those rivers have salmon runs, great trout fisheries and still supply water for local farming, cities and industries. They also contribute water to reduce Delta salinity problems caused by a drying up of the San Joaquin River 60 years ago.

Bill Swanson of the engineering firm of Montgomery Watson Harza, which is doing a CalFed-funded feasibility study of Temperance Flat, said recently a new dam would yield only an additional 200,000 acre-feet of water. Swanson, in remarks reported in the May 2005 Fresno County Farm Bureau publication "Agriculture Today" said such a dam "would help capture the last 15 percent" of the river's supply.

Initial ballpark estimates of the cost of constructing a dam at Temperance flat have ranged from a few hundred million dollars to well over a billion dollars. Cost of the water produced thus could range from \$300 an acre-foot to well over \$500 an acre-foot. I know of no irrigation district in the Friant Unit willing to pay even \$300 an acre-foot for water. The question then becomes who will be footing the bill for a new dam: The American taxpayers or the direct beneficiaries of new dam storage. That question definitely needs to be answered.

One simple, but not insignificant problem with surface storage, of course, is that you have tremendous evaporative loss on summer days when the temperature gets up around 100 degrees. I think this subcommittee should ask CalFed or the Bureau to provide estimates of evaporative losses off a Temperance Flat reservoir, off Millerton, and, indeed, off all of the foothill storage reservoirs along the Southern Sierra. I think you will be surprised and dismayed at the volume of water disappearing into thin air because we store it above ground, not below.

In addition, surface lakes are particularly vulnerable to terrorist attacks. EPA Administrator Stephen Johnson was quoted in the Los Angeles Times this week that that safeguarding America's water supply from terrorists and pollutants will be a major issue in the 21st Century and that water storage reservoirs are particularly vulnerable. Security experts say dams and lakes are easy targets.

Engineer Swanson also noted that any dam at Temperance Flat, even if approved today, could not be completed until at least 2015 and a more reasonable estimate. Is 2025. So the question is what are we going to do over the next two decades?

Dams also don't do you much good in a long drought. In the drought that began in the late 1980s and lasted into the early 1990s, most of California's 1,400 dams sat empty.

Are there alternatives to new dams? Government experts dating back to the 1930s have argued conservation and groundwater storage are the cheapest and safest alternatives. Some Bureau experts argued in the 1930s that East Side irrigation districts should dedicate 10 percent of their land to groundwater recharge. Some of the smarter districts in the Friant Unit have started to do that. It's money in the bank, so to speak.

The \$50 million dollar state-federal five year study that lasted from 1985 to 1990 concluded in a report known as the "Rainbow Report" that up to 500,000 acre-feet of water could be conserved through modernizing irrigation systems, increased groundwater storage, improved water delivery systems and transfers, new treatment technologies and waste water re-use and the idling of marginal or high selenium farmlands. Sadly, many of the recommendations of the Rainbow Report were never implemented.

Three years ago the NRDC and the Friant Water Users Authority were attempting to work out their differences during a period of settlement negotiations. They produced a joint Water Supply Study that looked at alternatives to Temperance Flat. Last year, NRDC, the Central Delta Water Agency, and others produced a document called "Vision Piece" which identified numerous strategies for producing an average yield of 350,000 acre-feet—more than Temperance Flat—at a fraction of the cost. I suggest that members of the subcommittee review some of the suggestions in those studies.

Last, but not least, I understand Chairman Radanovich worked hard to create and fund a San Joaquin River Trail which includes an expensive new footbridge over the river. I thank the Congressman for his efforts but apparently that would all be flooded out if Temperance Flat is built. Before, this subcommittee pursues a dam-building solution it owes it to the American taxpayers to first explore cheaper and safer alternatives.

I would be glad to answer any questions.

Mr. RADANOVICH. Thank you, Mr. Carter, for being here. Appreciate your testimony.

[Applause.]

Next is Mr. Kole Upton, the Director of the Friant Water Users Authority. Kole, welcome to the Subcommittee.

**STATEMENT OF KOLE UPTON, CHAIRMAN, FRIANT WATER
USERS AUTHORITY, CHOWCHILLA, CALIFORNIA**

Mr. UPTON. Thank you, Mr. Chairman. It is an honor and a privilege to appear before your Committee today. I want to make sure the record shows that I am sitting to the left of Lloyd Carter. My position is not to the left of Lloyd Carter—

[Laughter.]

—on water issues.

[Laughter.]

I want to commend the representatives we have in the Valley, both Federal, State, and local, for working in a bipartisan manner on water issues. We have had great success in the last couple of weeks in working with our legislators in Sacramento on water issues, both Democrat and Republican. And I agree with Dr. Welty and Congressman Costa that we need to work together if we are going to solve these problems in a regional way.

Very basically, I am a farmer in Merced and Madera Counties, which is a challenge in itself. More challenging is being Chairman of Friant Water Users Authority. The Friant Division is about a million acres, 15,000 small-, medium-sized farmers.

But in this service area there are 1-1/4 million people that are embedded in the area, and they also depend on the surface water, because cities like Orange Cove, with Mayor Lopez who is in the audience, and Lindsay, and the City of Fresno, get water directly

from Friant. A lot of the others depend on the surface water to come in to provide the sustenance to the underground aquifers, so they can continue to pump from their deep wells.

Now, the reason that the Friant Division was built by the Federal Government was because the State couldn't afford it. In the '20s and '30s, this area was being overdrafted heavily, and they knew they had to do something. The State looked at it, couldn't afford it, so the feds came in and built the project.

The farmers that came in here, this was an opportunity for these folks to build a farm, and it happened 50, 60 years ago. Many of them are passing on now, but their farms are still there.

What I want to emphasize is this is a government program that worked. They were asked to keep their acres at 160, and then it was moved up to 960. We have abided by the rules. We have paid for everything that has been asked, and now we are at a situation here not only about building the dam, but also we are being threatened. And I want to—Lloyd didn't want to talk about the NRDC lawsuit, but I am going to talk about it.

I think our generation—we are living off the sweat and the tears from the previous generation in building this dam. What our generation has done, quite frankly, is tried to ensure the environments in a reasonable and prudent manner for the future. But in so doing, we have empowered an environmental movement that has the power to stop almost any project. And they frequently do.

In addition to that, they have the power to threaten projects, and what we have today is we have NRDC and their lawsuit for 17 years, is threatening our current users in the Friant Service area. And if they win, they are going to take a significant portion of the water.

Now, I agree with Lloyd when he said this is a public resource. But how do you divide up a public resource? Well, you have representatives from Congress that you elect. These congressional representatives 60 years ago decided they wanted to dry up this river, provide an opportunity, and sustain this aquifer. Were they right? I don't know. But they represented the public, and they made that decision.

And a lot of people today have based their lives and cities have based their futures based on that decision. So now, for somebody to come in and say, "Well, the State law, we don't like what is being done and we are going to try to reverse it," obviously we are going to fight that. And there is not a lot of option here.

I can agree with Lloyd that some form of restoration may be perfectly feasible. NRDC doesn't give a set option. There is only one option with them—a self-sustaining salmon fishery, the Cadillac of all fisheries. It takes the most water, the coldest water, and is hardest on the current users. So when somebody says, "Restore the river," be sure and ask them what they are talking about.

What should we do? What do we do today? I think we build Temperance Flat. That brings you a lot of water. If we had had it in '97, we would have saved two million acre-feet. If we would have had it this year, it probably would have saved another million and a half or so. That is a lot of water up there.

I know the people that calculate this say, "Well, it is only an average of 200- or 300,000 acre-feet," but as a farmer I look at it, if

you have 1-1/2 million, 2 million acre-feet up there, that is going to last you a long time.

What are the obstacles? The obstacles that I see, quite frankly, are some in the environmental movement that refuse to stand up to the folks to say, "No in-stream storage, none of this, none of that." And

I would speak to my friend Lloyd here. He is not a mouthpiece for anybody. He is independent, and I would urge him to try to get involved in Senator Costa's regional plan where we are going to try to get regional leaders involved. And we need environmentalists to be a part of that. And once we all get on board, then we move forward with a plan and see if we can get it implemented.

And this—I am probably out of place, Mr. Chairman, but I would recommend, even though it may not be reasonable, prudent, or feasible—that Temperance Flat be submitted as a bipartisan bill on a fast track in Congress.

Now I understand you have some guy named Thomas or something from the Southern Valley that has quite a lot of power, and I would think that if you could get him engaged that perhaps we could get this thing through, because to be honest about CALFED, in my perspective, never have so many people spent so much money to do so little.

[Laughter.]

And I am afraid that—

[Applause.]

I am afraid if we get in that—Temperance Flat involved in that quagmire, we are never going to move.

So I want to thank you again for inviting us, and again for your leadership on the water issues, and the other folks in the Valley delegation.

[The prepared statement of Mr. Upton follows:]

**Statement of Kole M. Upton, Chairman, Friant Water Users Authority,
Director, Chowchilla Water District**

Mr. Chairman and Members of the Subcommittee:

It is an honor and privilege to appear before this Committee to testify on this issue, one that is of vital importance to the future of the San Joaquin Valley. First, I would like to commend the legislators, Federal, State, and local, for working together on San Joaquin Valley water issues in a productive and bi-partisan manner. Cooperation and consensus among all the people who depend on this water to sustain their livelihoods is the only way we can resolve the difficult challenges ahead.

BACKGROUND

The Friant Division of the Central Valley Project serves approximately 15,000 farmers on one million acres of farmland in parts of Kern, Tulare, Fresno and Madera counties and where I live, Merced County. It sustains underground water supplies relied upon by residents, businesses and industries in the embedded cities within the Friant service area. Those cities now have a population of 1 1/4 million people. This project along the southern San Joaquin Valley's East Side was specifically designed to correct the overdraft of the underground aquifer that occurred during the 1920's and 30's when residents had only deep wells for a water supply. The aquifer was being depleted and folks had to leave the area when their water ran out. By the time construction began on Friant Dam in 1939, about 50,000 acres of irrigated land had gone out of production because groundwater had been exhausted or was too deep to pump economically. The Friant project essentially brought groundwater supplies into balance with usage, to support and sustain crops and farm production in times and in places in which surface water supplies are not available.

The State of California could not afford to build the Central Valley Project, so the federal government did it. The CVP and Friant Division were specifically authorized

by Congress. It provided a welcome opportunity for thousands of small family farmers and the thousands of other people who settled in the nearby communities. Built at a cost of less than \$200 million, the Friant Division annually generates almost \$5 billion in crop receipts and economic activity. This is a government program that worked! The Friant Division today, on an average annual basis, delivers 1.5 million acre-feet of water depended upon by farmers and those who live and work in several cities, including Fresno, with CVP contracts.

TODAY'S NEED

We are now at a crossroads. Our generation has lived off of the planning, foresight, sweat, and tears of the generation that built the project, operated it in full compliance with Reclamation Law, and paid for it. Here in Friant, we have done everything asked of us by the federal government when our Reclamation project was developed. We have developed farms, irrigation systems, communities, an economy and a way of life. We have continued to make improvements, gaining a standard of water-use efficiency and commitment to conservation perhaps unequaled anywhere else in the world's irrigated agriculture. We have done everything possible to maximize our overall water supply into one of stability and reliability through the conjunctive use of surface water and groundwater that our system's designers intended, and it has all worked magnificently.

Our generation has spent several decades in trying to insure that the environment is protected in a responsible and reasonable manner for the benefit of future generations. In achieving that goal, however, society has empowered an environmental movement that has the power to stop almost any project under the guise of protecting the environment.

Specifically, in the Friant service area, our water supply has been under legal attack for 17 years by some environmental and commercial fishing groups demanding that a self-sustaining salmon fishery be re-established after having been dead for 60 years. Rightly or wrongly, Congress specifically decided to dry up the salmon run in order to provide water to the Friant service area from Friant Dam through the Madera and Friant-Kern canals. Now, environmental groups think they have found a State Law that will enable them to take significant portion of this water. If they win, this area will be devastated.

It needs to be emphasized that we live in a democracy. In the Friant service area, not a single city council person, mayor, assembly member, state senator, or congressional representative supports the position of re-establishing a salmon fishery at the expense of current users. This whole effort is being funded and led by folks in San Francisco and out of California.

What should we do? Build Temperance Flat Dam. A new dam at that site will provide much additional storage and better flood control. All acknowledge that Friant Dam is too small for the watershed. A new dam would also provide immense benefits for the environment. It would make some sort of river restoration feasible without having to have the current beneficial users of this water to suffer. Friant Dam has only about 380,000 acre-feet of usable storage. Temperance Flat could provide up to 2,000,000 acre-feet.

What are the obstacles? It is those within the environmental movement that reject new in-stream storage out of hand. Unfortunately, reasonable environmentalists stay silent during the discussion. The environmental movement has been granted immense power by this society. With power comes responsibility. It is time the leaders of the environmental movement acted in a manner that will allow us to take the necessary steps to assure our future generations have adequate and affordable water.

CONCLUSION

My recommendation is that our Valley delegation submit a bi-partisan bill to put the building of Temperance Flat on a 'fast track'. Frankly, the CalFed process does not appear to be a vehicle in which anything significant can be accomplished quickly. This area cannot afford to wait any longer. The time for action is now.

Our Valley delegation is as strong as we have seen it in many years, with several members being in key leadership positions. If not now, when?

Mr. RADANOVICH. Thank you, Mr. Upton. Appreciate your testimony.

[Applause.]

I do want to mention that the purpose of the hearing is to discuss water supply needs for the San Joaquin Valley. And so much

of it—and I know that the biggest current issue right now is the lawsuits by the NRDC on the San Joaquin River and the toll that that could take from agriculture, depending on what happens throughout the courts.

And, Mr. Carter, I am very glad you are here. I hope you are not put into the position of answering for the NRDC. I do want it to be known that they were invited and did not choose to testify before the Subcommittee.

But it is the issue of the day, and I think in a lot of reasons what brings us here today. I would like to get a sense—and nobody can know what this court will do or this Judge will do. I understand that there will be a trial in the first part of next year, and likely lead to a decision.

It is—he did base it on the state law, but I think he stretched like elastic to get way out there to get that opinion. It is so unrelated to the issue in an attempt, I think, to reach a preconceived outcome. And that was true in the Judge's effort, I think, to restore water to the river.

Can I get a sense of what could be the—in your opinions, and anybody can answer this if they want to, what kind of water we may be talking about if it is to restore the salmon runs to the river? I know, Mr. Carter, you had mentioned 15 percent, but can you translate that in acre-feet for me? And then I would like to get a sense of what everybody else thinks.

Mr. CARTER. Yes. Let me say a little bit about that suit, although I clarify, obviously, I do not speak for NRDC or the other—I think there are 14 other organizations—

Mr. RADANOVICH. Right.

Mr. CARTER.—that are plaintiffs, which include commercial fishermen in the Bay Area and the San Joaquin Raptor Rescue Center in Merced County. There are some Valley groups that are plaintiffs. And to correct Kole, even though NRDC has won some of the preliminary skirmishes in this battle, they don't necessarily get everything that they want.

So I think what was important in the Judge's ruling last year was his announcement that he was going to be reasonable. And I think we—instead of attacking the Judge, we have to wait and see what he does. I told Kole before the meeting this morning that a year from now, I think it is May of 2006, they are going to have a decision.

I think that you are going to find the Judge, in fact, is going to be reasonable. I don't think he is going to dry up the Valley. I—

Mr. RADANOVICH. But can you give me a sense, if you could, Mr. Carter, what 15 percent translates to?

Mr. CARTER. Well, 10 percent of—if you figure 1.8 million acre-feet is the average annual flow, I think it is somewhere between 1.7, 1.8 on the river. Ten percent—I am not a mathematician. That is why you go into the law.

Ten percent of 1.8 would be 180,000 acre-feet. So I would guess it—and up to 15 percent, so I would guess somewhere between 2- and 300,000 acre-feet. I don't think it will be any more than 20 percent of the river, average annual flow.

Mr. RADANOVICH. OK. I would like to get a sense from the other members of the Committee as well.

Mr. PROSPERI. Yes. The San Joaquin River Resource Management Coalition, the task force, is just finishing up that study I alluded to. We spent over a million dollars evaluating that very situation, and the conclusion we came to—or come to with CH2M Hill, and many, many hours of studying both the NRDC and Friant data, and all of the data we could put together with our hydrologists, have come up with a little different number.

We come up with, at a minimum, on a dry year would be 300,000 acre-feet to just maintain some sort of vegetative habitat, to 1.7 million on a wet year for salmon. And you are probably looking at about 800- to a million acre-feet to actually keep a sustaining salmon fishery going. There is a lot of issues.

It is just not a matter of sending water down the river and getting it to Merced. You have the water temperature, which has an even—the studies haven't been finished yet, because obviously if you send water 100 and some miles and it turns warm and you kill the fish, you end up with a Klamath situation. So—

Mr. RADANOVICH. Can you give me an idea of the storage behind Friant right now?

Mr. PROSPERI. I am sorry?

Mr. RADANOVICH. The whole amount of storage behind Friant.

Mr. PROSPERI. 520,000 acre-feet.

Mr. RADANOVICH. OK.

Mr. PROSPERI. So for Friant to have a good water year—I think it is a good point, Congressman—you really need to empty and fill Friant about two and a half to three times to have a good water season. Our watershed may be 1.8, but the dam hole is 500,000.

So when you are looking at that, and you are also thinking about how you are going to get cold water to travel 100 miles to hook up to the existing wet part of the San Joaquin River, and how it is going to be of a temperature that won't kill salmon, is also a big issue.

Mr. RADANOVICH. To the knowledge that you have, is your estimate for the rest of the panel about the same? Do you feel anybody wanting to—

Mr. UPTON. One thing, Congressman, that NRDC and Friant did was do a restoration strategies report where we hired independent scientists to actually look at the questions that you are talking about and what it would require to restore salmon. That report is out there, but it is being suppressed by NRDC. And it was paid for by public funds. So some of the answers are available, but we cannot legally release the report.

Mr. RADANOVICH. That is in a report that has been issued already but not publicly released?

Mr. UPTON. It has not been publicly released. That is correct.

Mr. RADANOVICH. OK.

Mr. UPTON. And on the storage for Friant, only 380,000 is usable. You have about 130,000 that is dead pool storage.

Mr. RADANOVICH. Right, right.

Mr. UPTON. OK.

Mr. RADANOVICH. I will come back to you, Mr. Carter, in just a second. Let me hear from Mr. Larson, then, if you would—

Mr. LARSON. Thank you, Mr. Chairman. First of all, what has been talked about is the river is fully appropriated. The storage is fully appropriated.

Mr. RADANOVICH. Right, right.

Mr. LARSON. And the second part of that, no one has mentioned what does it cost to open the channel up, so that the salmon can even come up the river? That river has been encroached upon. It has been overgrown. I have heard estimates of over a billion dollars worth of cleanup just to get the river to flow.

So I think what we are looking at is the opportunity to do something for the citizens of the Central Valley, as well as Southern California, in a bipartisan issue. And we are trying to do something here that is going to be impossible to do as the areas continue to grow.

How are you going to open the river? All of the rivers—all of the little towns along the river—Mendota, Firebaugh, Gustine, Newman, Patterson—they are growing into the river, and they are all threatened by increased flows if the river is let run free. It proved itself in 1997 when we flooded half of them.

So those are the things that haven't been talked about. We haven't talked about, how does it take to open the river? The river is appropriated. Where does the water come from that they talk about—this 200,000 acre-feet that they talk about? It is appropriated water. You are going to take it away from somebody.

Mr. RADANOVICH. Thank you, Mr. Larson. I want to try to keep myself to the five-minute rule, to make sure that every member up here has a chance to talk. We are going to go through five minutes for a while, until everybody gets their questions asked.

But, Mr. Carter, you wanted to respond. Do you want to do that real briefly, and then I will defer to Ms. Napolitano.

Mr. CARTER. As Kole well knows, you know, you talk about the salmon fishery, and then you talk about a trout fishery and the different requirements. The Judge may very well say that a salmon run is unreasonable, and go with a warm water fishery, which Kole and I have talked about. You can send some water down the river to keep the trout fishery going.

Now, remember, when water goes down the river, it is not just for fish. These two guys beside me would love to see a river flowing through Madera County, because it is—a river is a great recharge mechanism for the aquifer. Congressman Cardoza—the farmers in his county would love to see water coming down the river, because it is recharging the aquifer. It provides recreational benefits. And the most serious problem in California, in my view, is Delta drinking water quality.

Mr. RADANOVICH. Right, OK.

Mr. CARTER. And this water would help.

Mr. RADANOVICH. Thank you. And I am going to defer to Ms. Napolitano. Again, I am going to try to keep to the five-minute rule, but every member I will keep coming back to you, you know, even though I broke it starting out.

[Laughter.]

But I will try to—that way we can cycle through everybody—we will keep going until everybody has got their questions answered.

Ms. NAPOLITANO. Thank you, Mr. Chair. You are entitled; you are the Chair.

A couple of questions come to mind. I don't know—can anybody hear me? I need to speak a little louder maybe.

And I keep hearing, and I have to make a comment—first of all, Ms. Garza, I am glad there is another woman on this panel.

[Laughter.]

Let me tell you, it is hard sometimes, but thank you for being part of it. And as I hear the—I hate to say water wars—the water disputes and issues, let me tell you, if you guys don't come together, we are all going to be in a pickle, because I certainly don't want to see the breadbasket of California, of the nation, and sometimes the world, struggle.

And that is something that I really see coming unless we really get together and put all pettiness aside. I don't mean pettiness in terms of squabbling. I mean, the issue is reliable, potable, deliverable water. And I can tell you that these, I have seen them in China, I have seen them in—throughout the world. Same thing with almonds, and my good friend just brought me some.

This is something I am proud of. So we wanted to ensure that you have the ability to have that delivery of water for your farms. But you also have some problems, because you are now doing what—or facing what we in Southern California have been facing for decades, and that is the growth of population.

When you sell off your farms, so that you—you know, you have a lot more people coming in, that population explosion is going to give you headaches. And I would suggest that not only 25 years, my friends, 50, 100 years from now. So you need to think long range, because that bandaid, given the way you are growing, you are going to be facing sooner rather than later.

And that will include figuring out what your wells are contaminated with, how do you get them back into production, the contaminations of—whether it is pesticides and other things that will contaminate your aquifers. We face that in Southern California.

You need to ensure that you are not going to have that plus trying to get water storage and delivery. So as I am listening, I just wanted to make that comment, because, let me tell you, we face that many, many years in Southern California.

Mr. Carter, your testimony says that your group believes the San Joaquin River is a public trust resource. Could you explain that, please, briefly?

Mr. CARTER. Well, the California Constitution and the Water Code both say that the rivers of California belong to the public.

Ms. NAPOLITANO. To the people.

Mr. CARTER. Nobody here at the table disputes that. That is the answer.

Ms. NAPOLITANO. I do. You also mention that water marketing and profiteering by some water districts—how could that be controlled or at least priorities set?

Mr. CARTER. Well, that is a good question. I dug up an old Wall Street Journal article from 1996/97 in which Arvin-Edison was attempting to sell some San Joaquin River water to Metropolitan water district, and they got fierce opposition from most of the folks at this table.

Agriculture has a fierce internal battle going on, whether we should keep the water. In other words, if everybody in this room was in agreement that if we build a dam it is going to go to farmers, I don't have a problem with that. The question is that some folks within the farming community can make a quick buck by buying water from—like the so-called 215 water, the flood waters coming out of Friant Dam right now, for \$27 an acre-foot. People can put that water in the ground and turn around and sell it to Los Angeles for \$500 an acre-foot.

Ms. NAPOLITANO. Thank you very much.

[Laughter.]

Mr. CARTER. Well, I know. This is irony. I am usually the only skunk at the picnic, Congresswoman, but—

[Laughter.]

—since you are from Southern California, you can join me.

Ms. NAPOLITANO. I am just listening.

[Laughter.]

I just had—I was commenting to my friend, Jim Costa, that when you are talking about \$27, \$50 an acre-foot, we are paying over \$600 in L.A.

Mr. CARTER. Well, I was being conservative, because I would get attacked if I went over \$500. But \$600 is—

Ms. NAPOLITANO. I would love to have even \$100 in—

Mr. CARTER. But Met has made no secret they love the San Joaquin River, because it is good, high-grade water. And I know folks in the farming community—Ron Pisteresti is out here in the audience, Madera Irrigation District Chair. Madera Irrigation District, in my view, has taken a courageous stand and said, "We are not going to take farm water and sell it to cities."

And the Friant unit needs to resolve its own internal disputes about how much of that river is going to get marketed and where the profits—whose pockets the profits go into.

Ms. NAPOLITANO. Thank you, Mr. Chair.

Mr. RADANOVICH. Thank you, Grace.

Dennis?

Mr. CARDOZA. Thank you, Mr. Chairman. I am going to try and move along here quickly, because unfortunately after this series of questions I am going to have to leave for a prior commitment.

I want to start off by thanking Mr. Carter and acknowledging your previous comments about being the skunk. I don't mean that in a derogatory way. I want to thank you for being here. And I believe you are right; my constituents do, in fact—would like additional water. They would like more recharge. They would love to see the San Joaquin flow.

But I will tell you that they want to see that not by taking water away from other current allocated uses. They want to see Temperance Flat filled. And I think that is one of the things that needs to come out of this hearing today is that we need to provide more additional opportunities to create new water and not to continue, as we have done the last several years, last several decades, to try and split off already short supplies.

And I think that is the most important thing that we can take away from this hearing is how we can move forward to, as I said

in my opening statement, bring parties together to figure out how to build additional storage, to provide additional opportunities.

And one of those opportunities that I have had a personal opportunity to view on the ground is Mr. Meyers' operation in Madera. And it is really fabulous. I encourage—Grace, did you go with me that day? Did you go out to see it? I can't recall. Someone—another member went out. I will invite you, and you have been very generous with your time. It is a fabulous facility.

And, Marvin, you grow permanent crops. You grow almonds. If you couldn't do what you are doing with regard to banking, how would that affect your ability to farm and your viability to—and not just your ability to farm, but also how does it affect the financial aspects? Like how can you get loans from your bank, and those kinds of things?

Mr. MEYERS. Well, without a supplemental water supply, in fact, and a 100 percent water supply, we are always short. We get two feet a year. The allocation is 100 percent. We will never see 100 percent allocation from CVP. But we are always short of water.

That bank is a bank of last resort. We will be active in the water market. We will be out buying water, as much as we can afford, during severe droughts. Now, when the drought gets into a 25 percent or less water supply, and we can't find any other water at any price, then we will go to the bank, and we will remove water from the bank. We have a lot of pressure.

Now, we have been able to show our lenders that we do have a supplemental water supply available no matter what happens, what Mother Nature does to us. And that gives them the ability to finance our operation.

And we have been approached by a number of people, including the Federal Government, to store their water in our bank, Level 4 refuge water. We have been approached by urban communities on the west side, asking us to bank water for them for their new water projects.

We have taken a position that this bank is an agricultural water bank, and I have had to turn away neighbors that have water. In a year like this, they wanted to go into the bank. It has been tough. But the bank is designed for what it is supposed to do, and it is doing it.

So the answer to your question—short answer—is that we are able to function in any kind of a water year. We are able to get financed in any kind of a water year, because of our bank.

Mr. CARDOZA. Thank you, Marvin. And that goes to my next point, really, to the folks from the different communities and to Ms. Garza and to Kole. All of you operate either municipalities or farming operations that need some kind of certainty. And it depends on financing, it depends on, you know, the communities. It impacts economic development.

And so at some point—I don't think I am going to have enough time for all of you to answer now, but at some point in the hearing I think that is really part of the crux is people have to recognize that the certainty of water availability is not just for the good years, but it is also what happens in lean times and how we deal with it in lean times, and it affects the financial viability of communities and whether or not you can continue to farm.

Mr. MEYERS. You know, one thing I want to make real clear, and I will make it—the people that we employ depend on us year in and year out for their welfare. We have 150 people who work for us, and all of their families and all of their well-being depends on us to be able to function. So that is a very important part, you know, the—our participation in the community.

Mr. CARDOZA. The Chairman has been very gracious to give me a little extra time, since I have to leave, so if anyone else wants to answer.

Mr. UPTON. Yes. Congressman Cardoza, I would like to point out that, you know, in Chowchilla water district we are now working with the City of Chowchilla, who has recognized exactly what you said, that certainty is an issue for them. They are growing, and so now we have a cooperative arrangement with them where they are going to put an assessment basically on each new development, each new house, which will then be transferred to the water district to bring water in to sustain the aquifer.

And if I could take time real briefly, Mr. Chairman, to reply to Representative Napolitano. I want to correct Mr. Carter on the Friant place of use issue, and that is what is talked about with Metropolitan. Phil Larson knows this. Friant water cannot go out of the Friant service area. That is by State law. We just had an issue in Fresno County about that, and that is what the issue with the Arvin thing was.

What we do have is a quality issue, because the Metropolitan people in Los Angeles have told us they are not interested in quantity, that they have enough with Diamond Valley Lake, and everything. What they are interested in is quality. So we are—we think we will be able to put some of the Delta water, which is of less quality, on our farms and exchange it for some of the Friant water.

And so some of our southern districts are examining that. Nothing has been signed yet, but that is what we are trying to do—work cooperatively with people. And Metropolitan has tried—has said that they would guarantee our supply. They are not interested in coming here on a water grab. So we are trying to work cooperatively with the people in the south.

I think where the confusion comes in with the environmentalists, Arvin-Edison has a huge state contract. Metropolitan—excuse me, Metropolitan has a huge state contract for water, legitimately obtained from Northern California. They bring it into Arvin-Edison, and they store it. That is part of a state contract thing. It has nothing to do with Friant. But since Arvin-Edison is also Friant District, we get beat up on that issue.

Mr. CARTER. Can I briefly respond? I just wanted to—I don't want anybody to think that Temperance Flat is some kind of panacea for the problems of the east side. I would point out, if the President approved it today, we are 10 to 20 years away from any storage at Temperance Flat.

I would also remind the Committee that during our last long drought in the late '80s and the early '90s, the 1,400 dams that we have in California pretty much sat empty, or mostly empty. Surface storage is highly expensive. We need to have—Kern County is 25 years ahead of Fresno County on water storage, and Madera County.

We need groundwater banks all up and down this Valley. The cheapest, safest, best place to store water is in the ground. We can build a dam at Temperance Flat, and we can spend a billion dollars. And before the dam is ever built, there will be a new shortage. The 200,000 acre-feet from Temperance Flat is not going to solve the Valley's problems.

Mr. CARDOZA. You know, Mr. Carter, you may be right about 10 or 15 years if the President signed it today. But if it is going to be built in my children's lifetime, in my children's lifetime, not mine, we had better get moving, because what we have seen about water storage is people will find excuses to put roadblocks time and time and time again. And that is not getting us to where we need to be in the State of California.

Mr. PROSPERI. I would like to make a point. I think, you know, what Lloyd is talking about as far as the cost of that dam is true. But one of the things you have to look at is an annual release of 250,000 acre-feet would give the water banks that everyone is talking about the chance to work. When you have the amount of water that came out in 1997, or is coming out this year, it can't be banked. I don't care how many water banks you put in.

If we could store a million acre-feet, we could dribble it out over three or four years and store it underneath the ground. The two are conjunctive use. But to conjunctive use—the very word "conjunctive" means you have something to conjunct. So, you know—

[Laughter.]

—if you have Millerton, which is pretty much allocated—in fact, it is so allocated that we are sticking all we can in the ground, and we have still got 16,000 acre-feet going down the river. We need the storage to be able to expand on that conjunctive use that everyone is talking about.

And the other thing I would like to say is if your staffs or people have time to take a look at the Upper San Joaquin River conceptual restoration plan that we are finishing up, which you guys gave us a million dollars—the EPA did. If your staffs could look at it, it answers a lot of the questions on the recirculation that I think Congressman Cost was talking about, how we could recirculate water and have very little loss to the farmers, or no loss, and still create a warm water fishery.

Plus, the dam of containment could also store some fish, I would hope, and so we are—you know, and the problem with the salmon—and this is what Kole was talking about. I want to throw this in real quick. The studies that we have seen show that you need 16,000 cubic feet per second at least, maybe 20-, to go down that river to flush, to move the gravel, and to scour the banks.

Well, I have news for everybody. I farm out there, and that river holds 8,000 tops. So now you are talking about—you are talking about manmade flooding every other year to scour those banks. So it is not a simple solution. Warm water fishery, doable. To Mendota, doable. Recirculate water, doable.

If you look at our study that is coming out, I think it will show all that. It will show the constraints to salmon. That is really an impossible situation.

Thank you.

Mr. CARDOZA. Thank you.

I thank the Chairman for giving me extra time now. I appreciate it. And thank you also for having this hearing. It was very helpful, George. Appreciate it.

Mr. RADANOVICH. Thank you, Dennis.

Mr. Costa?

Mr. COSTA. Thank you very much, Mr. Chairman.

What I would like to do is to kind of run down a number of questions I would like to ask certain individuals on our panel. But I will go through it quickly, so you can think about it, and then I will go back to the first one, so that you can be succinct and to the point. And if we don't cover it within our time, we will submit them as questions to you later on.

Supervisor Larson, I would like to ask you whether or not you think there is a good assessment that has been done in terms of our current water use and our future needs. And if there hasn't been, what do you think is needed to address those assessments?

Marvin Meyers, I would like to ask you, as you tried to put together your project, what were the specific problems that you could use to illustrate to others who might like to emulate your efforts as to kind of where the land mines are, or what not to do?

Mr. Orth, I would like to ask you, what were the causes that required the Kings River Conservation District to put together that plan that you described in your comments? I mean, what were the underlying causes and the difficulties in bringing your own turf battles with the groups that you are dealing with?

Mr. Prosperi, I would like to ask what the cost estimates are, do you believe, for the efforts to implement the water bank you spoke of, and how you are going to spread that water within the area.

And, Mr. Carter, I would like to ask you what, based upon the point that you made as to the watershed of the San Joaquin River—and no one can predict. I have—you may feel comfortable predicting the Judge's decisions. I try not to.

But that aside, if reallocation does take place, and I suspect his decision will involve some reallocation, therefore, then, how would you suggest we develop a regional plan when there are some winners and losers, when you have reallocation taking place?

Let us start with Mr. Larson. Supervisor Larson, do you have a good assessment on the current water use and the future needs?

Mr. LARSON. Right now, Congressman Costa, that question is vital to what we are doing right now in Fresno County. We have completed a couple of meetings in the Fresno County Water Committee, forming kind of a task force I guess you would call it that we are bringing all water users within the county, all of the water districts, all of those special interest that the cities, the small water users, and we are evaluating what their water supply is, so that we, in essence, could move it around the county, if necessary.

We have areas of our county that are out of water, and there is no water because it is all appropriated. Well, some of these districts have water that possibly they could utilize. So how do we know how to distribute water unless we know what we have? And that is what we are trying to do right now.

Mr. COSTA. How are you doing the assessment? Who is doing it for you? And how much of it—I mean, because I think that effort, along with other assessments, are going on with our efforts to put,

as Congressman Radanovich and Congressmen Cardoza, Nunes, and I, try to put together this regional plan, to the degree work is taking place already out there, that is helpful, because that information—we don't have to reinvent the wheel is my point.

Mr. LARSON. Well, how are we doing it? We are asking each district what their total capacity is or their usage is for the year, how much they use, and what they are doing with that water. At the present time, we have, under the direction of Mr. Orth, have formed an MOU that we brought forth last Thursday at our meeting, and this now is being distributed back to the districts to fine tune. And within 90 days—

Mr. COSTA. You are including the City of Fresno?

Mr. LARSON. The City of Fresno is involved.

Mr. COSTA. OK.

Mr. LARSON. They have been at our meetings. Yes, absolutely, they are very—you know, they are 1 of 15 cities in Fresno County, but they happen to be the biggest. And so they have to be at the table.

We are talking about everyone, small cities as well as all irrigation districts within the county, and that is what we are doing right now. The MOU is out—back to these folks to look at. Within 90 days, we will bring it back, and we hope by the end of the year we will have fine-tuned what the need is and what the supply is.

Mr. COSTA. Do you happen to know, and if you don't—how many of the other counties here in the Valley are doing somewhat similar?

Mr. LARSON. Under your direction, Congressman, we have called every county. We have had a response from one county and one news media in Stanislaus County. That is the response we have had at this time.

Mr. COSTA. OK. We need to work on that.

Mr. MEYERS, what were the problems in trying to put together your effort? I know you shared with me many of the problems. But if you could go down a brief list—

Mr. MEYERS. How long do we have?

[Laughter.]

Mr. COSTA. We don't have that long. Seventeen seconds.

[Laughter.]

Mr. MEYERS. All right. I will make it quick. Probably the toughest stuff was trying to work with the State government—

[Laughter.]

—trying to get funding, you know, realizing that it is a—you beat your head against the wall trying to do it. The rules and regs and things for a private individual farm to get funded for something like this was very difficult. The feasibility work I would definitely hire—be very careful who you hire to consult with you on the work you do for your geology and hydrology.

One thing you have to be very motivated and—I will make it real quick, Mr. Radanovich. I think the bottom line is that you have to be dedicated, and you had better have some good funding. The toughest part was all—was some of the mistakes I made and erroneous hydrology, erroneous filtration stuff.

And I just—by the time I got really going, I had spent a lot of money and made a lot of mistakes. However, it was a learning

experience, and thank God I was able to make—have the money to spend. But that was my biggest problem.

Mr. COSTA. Current almond prices make it a little more bearable.

Mr. MEYERS. I beg your pardon?

Mr. COSTA. I said current almond prices make it a little more bearable.

Mr. MEYERS. Well, man, you better believe it.

[Laughter.]

If it wasn't for the price of almonds, I might not be able to finish it.

Mr. COSTA. I am out of time, Mr. Chairman, but I would like to—if we could get another chance to round—

Mr. RADANOVICH. Oh, absolutely.

Mr. COSTA.—I will go back to those other three witnesses.

Mr. RADANOVICH. Jim, we will cycle through on five minutes until every question is answered.

Mr. PROSPERI, I have a question regarding a project that MID—Madera Irrigation District—has, now called Madera Ranch. A few years ago this issue came up when Enron and Asuracks had bought—or had plans to have an underground water storage facility, and it was highly contentious and highly opposed locally.

Now, your irrigation—or Madera Irrigation District has the opportunity to purchase that property with the idea of using it as a water bank. Why is that now something positive? Can you give me an idea of what you think might be the increased water capacity supplied from a water ground storage like that, project like that? And are there many underground storage projects like that in the area of, say, the San Joaquin watershed?

Mr. PROSPERI. Yes. The big difference—there was a huge difference, and there was a lot of opposition. In fact, I was deeply involved in that opposition. There was a huge difference between that project and the one that the Madera Irrigation District is now proposing. The main difference is that we have a locally controlled and operated project as compared to Enron, which I don't think exists any longer. So mitigating their losses would have been very difficult for them.

But anyway, the other issue—besides local control, the project size has shrunk from 5- to 600,000 acre-feet down to 250,000 acre-feet. One of the concerns of landowners was the size of the project and where that—and how it affected landowners in the vicinity. Without going into a lot of technical detail up here, the bottom line—a smaller project was always more favorable to the local people to make sure the water could stand about 13- or 14,000 acres of land.

Mr. RADANOVICH. So on your smaller scale, though, how much water in acre-feet would that yield as new supply?

Mr. PROSPERI. Well, the 250,000 is the total storage capacity. The annual potential yield is 55,000 compared to 100,000.

Mr. RADANOVICH. So that would be about 55,000 acre-feet of new water supply.

Mr. PROSPERI. Of new water, yes, potentially could generate. The other issue was that MID reached out to the local landowners and to the water districts, and some general principles were put in place that we could never get Enron to agree to.

Number one, besides local control, with maintaining the 10,000 acres of that ranch in habitat—to be maintained in habitat and not be developed, if you develop 10,000 acres of water using—land using groundwater, and you basically pump 35,000 acre-feet a year of new water to farm, then you are really not gaining nothing.

The other big issue was not tying it to the Mendota Pool, and some of the water quality issues that go along with the TMDLs. We wanted strictly Eastern Madera County water, which is clean, pristine water, so we didn't pollute or dilute our aquifer. That is something MID has also agreed to, and, in fact, agreed to that as one of their—that is their governing principle—and no exportation of groundwater.

The big issue for Madera, because of our huge overdraft in our area, Madera and Chowchilla area, we felt that any of this 55,000 acre-foot of additional water needed to be used in Madera first to do two things. They are proposing to leave 10 percent behind, which is similar to what Mr. Marvin was talking about, to slowly buildup our aquifer.

And, two, to use the water primarily for MID's taxpayers and water users first; second, our subordinates, who are members of MID but on a subordinate basis for getting water to help their problem out in Eastern Madera, out in the Highway 41 corridor; and the third is for Oakhurst, Coarsegold, North Fork, Ranchos—these areas that have severe problems, especially the Oakhurst area as most people know. They are looking at at least a 2,500 acre-foot of surface water now they need on the way to 10,000 acre-feet. So we are looking—

Mr. RADANOVICH. Can you—

Mr. PROSPERI. The quick answer, huh?

Mr. RADANOVICH. That is good. I just want to clarify though, too. How many underground water storage projects are available like this one in the area?

Mr. PROSPERI. In Madera County, there is—at this juncture, there is none like this available. Water districts like Chowchilla and Madera are constantly doing percolation in the ponds in small projects, but nothing of this magnitude.

Mr. RADANOVICH. In your opinion, although underground water storage facilities like this can contribute to what might be—put us in short supply, given the nature of this lawsuit and the possible outcome, in your opinion, can underground water storage meet the full demand of environmental restoration plus the ag and urban water needs?

Mr. PROSPERI. No.

Mr. RADANOVICH. Mr. Larson, Phil, it was mentioned earlier that the water on the San Joaquin River is fully allocated, as you had mentioned. And if 100,000 acre-feet to 300,000 acre-feet were mandated by the Judge's decision to rewet the river, tell me where that water would come from.

Mr. LARSON. That water would probably come from agriculture in western Fresno County, like out in the Kerman, Biola, Rolinda area. That is where that water would come from, as far as because what would happen is they would take water out of Friant, or out of the Millerton Lake, and then the Fresno Irrigation District

would be obligated to fulfill that water that would go to the City of Fresno, because they are within the district.

And so then the Kings River water has to back up what is going to be taken from the Central Valley Project, and, therefore, those of us that farm out in that Kerman area, we are going to lose the water. That is basically what will happen.

Mr. RADANOVICH. Last question before I defer to Ms. Napolitano. It was mentioned that a new dam would take 10, 15 years. And you are right; I mean, they take forever, and there will be lawsuits trying to stop it, which would further delay it. In anybody's opinion, am I correct in saying that if we didn't have this lawsuit in the first place that we could probably be OK 10 to 15 years from now with new water storage?

Mr. LARSON. Well, I would answer your question this way, Congressman. The fact is, if it is 10, 15, or 20 years, it is going to be 10 or 15 or 20 years. The longer we wait, then it is 25 or 30 years. We need to get going now.

Mr. RADANOVICH. Right.

Mr. LARSON. 1,700,000 acre-feet flow out of the watershed that comes into the San Joaquin River can be handled through a new dam at Temperance Flat. We can store that water. We can allocate water at that time with that storage. Now, they say it is only 200,000 acre-feet. I question that very seriously.

But right now we could allocate that water down the river. There would be water for the fish, there would be water for the cities, there would be water for agriculture, if we had that dam at Temperance Flat to capture the type of flow we have had this year.

Mr. RADANOVICH. Thank you, Mr. Larson. I will defer to Ms. Napolitano. Thanks.

Ms. NAPOLITANO. Thank you, Mr. Chair.

I wish I would have had more testimony to read prior to being here. I only read two of them that were made available, because I have a lot of questions. That is my nature.

I certainly want to ask Ms. Garza, because she is the only one that represents the actual farm workers, what is the labor issue? Where do you see water playing—and I have read your testimony—playing a part in the development? And, of course, that goes along with the ability to pay the workers to keep them in our area. And I realize this is not the time or the place, but how immigration is going to play a role whether we get more seasonal workers from south of the border.

Ms. GARZA. Well, first of all, I am not sure if I am going to answer exactly what you want to hear. But the way I see it, no water means no growth, and no growth means no jobs for us. And in my area where I live, in Delano, California, I have seen the town grow by farm families. And so I just don't see another way to keep going, and, of course, if we are looking at water being more expensive for farmers, then it is harder for farmers to keep going and to pay our wages.

Ms. NAPOLITANO. Thank you. I was looking at your report, the inclusive—included material, where the agriculture production has grown in 1984 from \$4.5 billion to in 2004 of \$12.6 billion, and that is quite an increase. And there is still a lot of potential given what is happening.

Thank you, ma'am.

I have a—

Ms. GARZA. Thank you.

Ms. NAPOLITANO.—question for Supervisor Larson, and I think I just touched upon the urbanization issue. Does Fresno County has a program to preserve ag land and protect it from development? Because I remember in my days in the state legislature Valerie Brown from Napa tried to introduce legislation to curb the sale of farmland.

Mr. LARSON. We have—at the present time, we have the Williamson Act, which puts land in production. We have the Williamson Act and the Super Williamson. If you are in the Williamson Act, your land is continuously protected 10 years on an evergreen contract. The Super Williamson is 20 years.

We have in Fresno County a sphere of influence around our cities, not just the City of Fresno but all the cities, and the Fresno County Board of Supervisors has a policy that we are directing growth to the cities or the communities that have infrastructure instead of just going out and building out in the open areas.

Now, if you own a farm, that doesn't stop you from building your home on your farm. But any major development we are trying to keep within the sphere of influence of the cities within the county.

Ms. NAPOLITANO. I hope you won't face the same attitude that I faced from one of my former colleagues when I was in the State Assembly is, "Southern California, stop your growth."

Mr. LARSON. Say that again. I am sorry.

Ms. NAPOLITANO. We were told 10 years ago when I was in the State House that we in Southern California needed to stop growth in Southern California.

Mr. LARSON. Well—

Ms. NAPOLITANO. And I am being very truthful, because there is no way that cities can stop there. There is just, unfortunately—

Mr. LARSON. How do you stop people from coming in, Congresswoman? I mean, you just can't stop them and they are coming. And my—our theory in Fresno County is: how do we plan it? And how do we have it planned in a proper way, so that we can control growth as it expands into our rural areas?

But that doesn't mean we want to stop it. We have to control it, and we have to plan for it.

Ms. NAPOLITANO. Which is more the reason to project more than 25 years.

Mr. LARSON. Yes.

Ms. NAPOLITANO. And to Mr. Prosperi, I read with great interest in your remarks on the FEMA issue regarding the flood insurance rate on the maps. We face that in our area, so would you mind letting us know where you are at with that?

Mr. PROSPERI. Yes. What happened with the FEMA issue, after the 1997 flood, you know, FEMA came in with the Army Corps and did a study and basically tried to say that—and we didn't agree with it—that the flood plain was 300 to 400 percent larger than all of the studies they had done since the 1950s on the hundred-year event.

We, in turn, hired our own hydrologist and did a lot of studies, and we came to a completely different conclusion. And we are still

in that process. In fact, we just got word today our latest with Mr. Countryman, who is highly regarded in the Army, who used to be one of the higher-ups in the Army Corps, is working for us on evaluating it.

And we are coming up with numbers probably close to 50 percent of what they came up with. One of the reasons we feel that their numbers were wrong is because of how they evaluated the 1997 flood. And what really happened as compared to the operating rules of the dam is kind of a technical thing, but we want the right number. We are not trying to artificially keep it low. We don't want to see housing encroach on the river.

But we also don't—when you go downstream where we took you that time and that river opened, the flood plain numbers they are looking at is like 10 miles wide on both sides. Poor Marvin there is going to be in the flood plain, but—his water bank. But the issue is property rights, and we just want the right number based on actual science, based on true mathematics, and based on operating rules of the dam. And that is where—we are still in that process.

FEMA and the Army Corps so far have still been—they just turned down our latest appeal, but we are preparing another LOMAR as we speak. And I think Madera County will be—and Fresno will be going forward with that. All I can do is say at this point it is not settled.

Ms. NAPOLITANO. A word of caution, sir, and that is that when FEMA went in and made statements to our residents—and in California, as you well know, we are divided by streets, cities—that there would be flood insurance available, but they only gave us 30 days, and they didn't make it widely known.

So we were very upset and were able to get them to extend it, not only that, but they had excluded a lot of people simply because they didn't know about it, and when they went it was too late. Had we not had the raising—the FEMA levy-raising in this last flood, we would have had tremendous losses.

So it is vitally important. We may not expect it today or tomorrow, but it could happen, and it has happened in our area. And so I caution you, because sometimes they think they do the outreach, and they don't.

Mr. PROSPERI. Right.

Ms. NAPOLITANO. OK? Thank you.

I will wait for the next round. Thanks.

Mr. RADANOVICH. Thank you, Ms. Napolitano.

Jim?

Mr. COSTA. Thank you very much, Mr. Chairman. I will get back to my questions.

Mr. Orth, you were next. What caused the Kings River Conservation District to put this plan together? And what have been some of the turf issues that you have had to get through?

Mr. COSTA. Yes. Just real quick, the water forum or the Upper Kings Water Forum was created through cooperative efforts of the Kings River Conservation District and three irrigation districts within our service area—the Consolidated, Alta, and Fresno Irrigation Districts.

And what really brought us together was kind of two—on two fronts. One was a growing tension between those agencies and the

communities that they surround, and it is a 350,000-acre service area that surrounds Fresno, Clovis, Reedley, Dinuba, Parlier, and some of Kings Brook-Fallor, so it is a rapidly growing region. We saw groundwater issues. We saw water quality issues. And we felt that there needed to be better coordination between the districts and those cities.

We also recognized, based on our experience and successes with the fishery program, that some type of collaborative effort had some upside, and so we reached out and worked with those communities to develop this concept, and twofold was additional data so that we can make better planning decisions.

And, quite frankly, and maybe the best incentive is that the state conditioned future state grant awards on a requirement that you be regionally coordinated in your water resource planning. So, you know, the money talks. If you are going to get state money, you have to be regionally cooperative.

Five problem areas that I thought of—one is identifying your vision and getting—number 1. And, number 2, then educating and getting the stakeholders aware of what the issues are. Number 3 is trust, and, quite frankly, the state has been very helpful to us in supplying a professional mediator to help us communicate pretty regularly in very large forums of stakeholders as to what the trust issues are, establish a voice, and then maybe the biggest challenge here is the local cost-share allocation.

Some of the smaller communities are stressed for money, and that has been in issue in generating local cost-share and local match against those broader program needs that we have.

Mr. COSTA. Thank you.

Mr. PROSPERI, what is the estimated cost of the groundwater bank that you have spoken of? And how will you try to share that 55,000 acre-feet of net yield that you spoke of a moment ago?

Mr. PROSPERI. I will give you what I know. The real technical guy is sitting back there—Ron, who is Chairman of the Board of MID, and he can probably fill you in in a little bit more detail. But what I do know is that we—is that the district has an option for \$37 million for the land for 13-, almost 14,000 acres, and about \$30- to \$35 million in the preliminary stages for what it is going to cost to develop. That hasn't been dialed in yet, because they are still in the formation.

The first—the second part of that question is, how is the 55,000 acre-foot going to be distributed? The primary—first of all, the financial risk is going to be the taxpayers of MID, which are the city—two-thirds of the City of Madera and the farmers in the district. So the first benefits will go toward helping the taxpayers and the rate users and the water users within the district to—with their water shortages.

The facility that is being designed is unlike the previous one that Enron had in effect. It is a pump-back facility. I mean, the water will—the properties on the westerly boundary of MID, and so the water will go in, the 250,000 acre-feet.

When it is called on, we will pump it back into the district, which will also help our recharge, to be used by the farmers within a two- to three- or four-mile radius around, which will free up their water or water they normally get through the channels, through the MID

system out of Friant, which then ultimately frees up water to go to Oakhurst or Coarsegold or whatever.

The benefits for the usage, we would hope that areas like North Fork and Coarsegold and Oakhurst, who are right now running about 2,500 acre-feet short a year of water, and are looking at a Redinger project of bringing surface water in, would be able to take water out of Redinger or somewhere and then do some swaps and be able to store the water in the water bank.

Ultimately, the water users in Ranchos and these areas would go to MID and buy a portion of the space. That would give them allocations—percentage of the allocation of the 55,000 acre-feet.

Mr. COSTA. So to help finance it, you are possibly considering a JPA, joint powers agreement, with the city and some of the other entities?

Mr. PROSPERI. Yes, that I couldn't answer without talking to MID, but—

Mr. COSTA. That is all right.

Mr. PROSPERI.—I don't think so.

Mr. COSTA. Thank you. I will have to—I think—I don't know if we have time for Mr. Carter to answer the last question.

Mr. RADANOVICH. Is that the last question?

Mr. COSTA. Yes, this is the last question I had.

None of us can predict what the Judge is going to do, to remind you of the question, but in the event that some of the water is reallocated, there will be winners and losers. How do you suggest we develop a regional plan, realizing there are a host of separate watersheds here, and we are one region, one valley?

Mr. CARTER. I just want to briefly comment on what Denis is saying, which is about groundwater banking. Now he is talking about generating 55,000 acre-feet of water. And if you do the numbers for his versus Temperance Flat, which is four times larger, you find out that the dam is way, way, way more expensive than groundwater. He is my best salesman for groundwater storage.

[Laughter.]

And we don't need just a groundwater bank in Madera County. You know, back in the 1930s when the Bureau was deciding to build Friant Dam, of course they made a catastrophic mistake because they built it too small and in the wrong place. We all know it should have been at Temperance Flat. They knew that during the lawsuit back in the early '50s.

But the Bureau of Engineers were talking about, did they need to build a dam? And there was an extensive discussion in the Bureau to put—to have every water district along the east side take 10 percent of their land and use it for groundwater banks. The Friant-Kern Canal is lined. It could be recharging for that 150 miles of canal if it wasn't lined with cement. So I think that groundwater banking is the way to go.

Now, to get to Jim's question of what happens if the Judge rules next year—well, first of all, I don't think anything will happen, because it will be another five- to eight-year Ninth Circuit opinion.

Mr. COSTA. Of lawsuits.

Mr. CARTER. But what the reallocation question is, first of all, is 80 percent of the San Joaquin Valley agriculture will go on just like they have always done, because they are not affected. So we

are only talking about a small portion of the Valley here, and we are talking 15, 20 percent within the Friant unit.

I do not think the sky will fall. I think that the Friant boys are going to fight it amongst themselves as to who has to give up that water to restore the river. And if you ask my legal opinion, Fresno County and Madera County are counties of origin, and they can say to Larry in Kern County, "We don't have to give up this water. You guys take 75 percent of the river now." So you may see some local lawsuits erupting.

[Laughter.]

That is what I predict.

I want to close with a very brief discussion of the raisin industry. As we all know—Congresswoman Napolitano was eating raisins—the last few years have been really tough for the 270,000-acre raisin industry. The solution for those folks would not have been to plant more vineyards, use more water, and grow more raisins. That would have driven the price even lower.

What the raisin industry did was they took 100,000 acres of raisins out of production, finally brought the price back up. In my view, the fundamental problem of farmers in this Valley is low prices. We need to get our farmers a fair share.

You know, for a \$3 box of Wheaties, Tiger Woods gets 10 cents for his picture on the cover, and the farmer gets two cents for the wheat in the box.

[Laughter.]

So if we want to—let us start devising farm policies that will get our farmers a decent price. I really think that the Judge will rule, some water is go in the river, and life will go on. Agriculture in the San Joaquin Valley is the most inventive, hardworking, ingenious farmers in the world. They will overcome a 15, 20 percent reduction in San Joaquin River supplies. Life will go on.

Thank you.

Mr. COSTA. Mr. Carter, I have known you for a long time, and I am not sure you quite answered the question.

[Laughter.]

I have known you as a reporter.

Mr. CARTER. What was the question?

Mr. COSTA. I have known you as an attorney and an activist. But I am not so sure that you may want to someday run as a politician, because you are waxing pretty good here.

[Laughter.]

Mr. RADANOVICH. All done? All right. Thank you, Jim.

One more quick—a couple of questions before we wrap up. Mr. Prosperi, what needs to be—what is left to be done in order to make sure that the Madera water bank happens? Briefly.

Mr. PROSPERI. Briefly, well, number one, they formed a commission which brought in the Chairman of the Gradley Ford Water District, along with two landowners, which is Rick Cousins and myself, which our rules say you have to live within two miles of the project. Kole Upton is also an at-large member of a commission who is working on an MOU to make sure that we protect landowners in districts around the project. That has to be done. They have to exercise their option. They have to get their funding in place.

The actual project, because it is so intricately plumbed in, it almost could immediately start functioning, but they will need some money. Hopefully, there will be some grants, hopefully there is some habitat monies. I mean, they just needed—they just have to get all of the pieces put together. It could be up and functioning by next year if all of the pieces come together.

Mr. RADANOVICH. Thank you. I would like to ask the panel if any studies have been done that would substantiate the cost to the economy if 100,000 to 300,000 acre-feet of water were taken out of agriculture? Are the numbers out there?

Mr. UPTON. Yes, we have done the numbers. I think the more important number is the number in the restoration strategies that not only talks about the water but the improvements that would have to be made to the river in order for salmon to come up. And that is between \$600 million and \$1 billion.

Mr. RADANOVICH. Cost to the economy for the loss of water, though. That is the question that I am asking. I mean, again, nobody can be certain as to how much water would be required to fill the needs of this court decision. But given if it was 1- to 300,000 acre-feet, is there a study that has been done that would estimate the economic impact to that loss of water?

Mr. UPTON. We are in the process of getting that information now.

Mr. RADANOVICH. OK.

Mr. UPTON. It depends on how many acres and, you know, which crops and that kind of thing.

Mr. RADANOVICH. I think the use of those dollars would be really, really helpful.

Mr. UPTON. Yes.

Mr. RADANOVICH. Well, thank you very much for your testimony, ladies and gentlemen. I really do appreciate it. I have one more question.

Grace?

Ms. NAPOLITANO. Well, I could go on. I have a couple.

Mr. RADANOVICH. Well, go. No, you take your time.

Ms. NAPOLITANO. OK. Well, thank you. A couple of things come to mind. And, Mayor Murray, congratulations on your leadership. I have read with great interest what you have done in the community and how you have managed to be able to address a lot of the issues that are so pressing at the local level.

You did mention you had drilled six test wells, but they were of no use. Would you mind elaborating why and at what cost?

Mr. MURRAY. Well, the costs—I apologize. I don't remember the cost offhand. The reason why, the east side of the San Joaquin Valley, the Lindsay area, is nestled right adjacent to the foothills. We have a lot of rock. We have no real aquifer like the sand aquifers a lot of areas have. We have a lot of rock in the area.

A lot of the wells are drilled. When we drill them, they produce 100, 150 gallons a minute. Not enough to support a city, not economically. I know several farmers in the area that have drilled wells over the years to be of no use because mainly not enough water quality. The expense is there to drill but not the quantity.

Also, addressing the quality issue, we have had wells that have had pesticides in them. We have had wells that have had some DBCP. We have had wells that have had nitrates. Those issues.

And, consequently, when you are using those wells—the water is perfectly safe to drink for a lot of people. But, unfortunately, when you are giving it—delivering it to the city, some different requirements are involved, as you are well aware of, and we are unable then to deliver that water to the city residents.

But there has been six the last two or three years. I am not sure of the cost. I apologize. But there has—mainly it is the quantity and the quality issue. Not enough water.

Ms. NAPOLITANO. That makes real sense in terms of the contamination issue, because then—we face that in Southern California, tremendous issue. But if there were a way to be able to have the communities that have wells be able to assess or get help—and that should be part of the study of the water, including in whatever the group comes up with, to be able to determine, in the cities that have wells, what will it take to clean them up? Because there is a great expense in drilling those.

Whether or not there is ability to connect so they can make the water potable, or at least deliverable, or cleaning up, or I am not sure how. But to me, if those wells were able to be put back into production, that would help relieve some of the shortage of water in certain times of the year, I would assume.

To me, storage is very, very key, because we tried in one of my cities to develop a half-above/half-below ground storage to purchase water in winter when it is cheap. As you all know, it is over \$600 an acre-foot. So it made sense.

The problem was, at the time we had an issue with the economy, and things didn't quite there. But now we are looking at it again, because every city now should begin to look at how they may be part of the solution, to be able to deal—even if it is a small quantity of water, it is better than none, if there is such an opportunity to be able to do that. And so I am—that is why I am directing the questions to that issue.

Mr. MURRAY. One thing, in the City of Lindsay we have water meters, where a lot of cities and communities do not have water meters. So, consequently, we are regulated that direction, and that is important I think. My personal opinion is when you have water meters, you regulate your water, people will be more apt to conserve water when you realize how much you are spending for it.

It is quite expensive in our city for the water that we do have. The average resident pays about \$40 per month on their water that they use, and the wells that we have had in the past, unfortunately most of them lie on private ground and around the city itself it is hard to get a well within the area.

If we can go outside the area and get private ground, we can get more wells, but it is also quite a distance in to get a proper well for producing the quality of water we need and the quantity.

Ms. NAPOLITANO. Well, it is great to hear, because when I lived in Sacramento, the six years I was there, I never paid water. And the water meters weren't connected to the residences, and I think that is a shame because when you go into conservation anywhere

else in the State of California, I think it is only incumbent people to conserve if they are not going to have a water meter.

There is another question I would have, and that was to Mr. Meyers. I was very interested, sir, in the development of your own systems and would love to be able to get an opportunity to either further discuss it or maybe visit, because that is something that we need to see how we can replicate and learn from and not reinvent the wheel.

Mr. MEYERS. I got a little bit of the echo when I was trying to hear the context of your question.

Ms. NAPOLITANO. I am sorry. I am probably too close to the mike. I was saying that I would love to learn from your work how you have managed to achieve, and that from learning from you we do not have to reinvent the wheel to replicate in other areas of great need.

Mr. MEYERS. Yes. Yes, this is why I always bring the Bureau of Reclamation into my discussions. The Bureau is using this project, or will be using this project, as a precedent project. And it is a very, very wonderful project. My passion for this project is high, because I spent of years, since 1998, putting this together, and it is a result of the previous drought.

We would never be able to survive without it, and, yes, it could be an outline to anyone who would want to do a project such as this how to do it. It is a class of how to do it, and what mistakes not to make. But it is successful. You need to know how to do it. And the Bureau of Reclamation, I have urged them and they are going to take this project and use it as an example throughout the Western United States how to do a groundwater banking project. And it can be done.

And the key to these groundwater banking projects, they don't have to be massive. There could be a lot of little groundwater projects all over the Valley and all over the area, as long as you have a conveyance facility to get the water there and to take it out of the aquifer.

So the answer to your question is yes, it will be a model for a lot of folks who would like to try it.

Ms. NAPOLITANO. Well, I look forward to reading further about it, and maybe even visiting. And to all of you, what happens in California has been a groundbreaker for the rest of the nation. They do view us as the leaders, and they can learn from us.

However, when it comes to funding, that is a different story, because they feel that California is so wealthy that you do not need the help. So it does take a lot of cajoling, convincing, and otherwise threatening some of our colleagues, because we have 53 votes in California. We need to learn to use them together, to be able to address some of those issues.

And that is one of the reasons why I think it is so important that you begin to form the coalition for all parties concerned, so that we can be effective.

And the last question I have is I am concerned about the NRDC not releasing that. I would like to have further information on that, so that we can, Mr. Chair——

Mr. RADANOVICH. Certainly.

Ms. NAPOLITANO.—request it, so that we have something to go by.

Thank you, Mr. Chair. That ends my questioning.

Mr. RADANOVICH. OK. thank you.

Mr. Costa?

Mr. COSTA. Yes, very quickly. Is that Mr. Harry Armstrong out there? Mayor of Clovis? Just want to acknowledge, another elected official here who has been working with Fresno Irrigation District to do a very innovative groundwater project that involves public-public partnership. I think I made reference to that earlier.

Mr. Chairman, I just want to thank you for your leadership, your staff, all the staff that worked so hard to put together this hearing today. And our witnesses I think did an excellent job in terms of making the time available and giving us their best thoughts in terms of how we can come together to solve the various water challenges that we face in this region today, tomorrow, and in the next 25 plus years.

And maybe the person that made the comment earlier that we ought to be thinking further than 25 years is accurate, but 25 years is pretty tough to look down the road in the future, so let us try that for now.

And I look forward to working with all of you as we endeavor to solve, from a common sense standpoint, what Assembly Member Eramula and his colleagues on the state level, both in the Assembly and in the Senate, working together to really make a difference for the people who live in this Valley and the people who live in California.

Congresswoman Napolitano said it correctly. We are the bread-basket of the world, and we would like to remain so. So our task is clear, and we need to work together.

Thank you.

Mr. RADANOVICH. Thank you very much, Jim.

I also want to recognize Shelly Abajian from Senator Feinstein's office, who is in the audience as well.

In closing, I am reminded on a different subject that was on a radio program, a call-in to Los Angeles—was regarding illegal immigration and tried to—you know, under the misconception that I could talk rationally with this radical radio station down in Los Angeles about the need for a desk worker, Bill, in Immigration, and such.

And we had a caller in that said, "By gosh, I am so concerned about this problem that I am willing to pay five bucks for a head of lettuce, just to make sure that there is labor out there to pick those things." And, you know, I said, "Fine. Why don't you get 30 million other people and, you know"—

[Laughter.]

—"cut yourself a deal." They wanted to pay that much. The fact of the matter is that the American public wants cheap food, and the best way that we can produce cheap food is to have an inexpensive and reliable water supply. And if things continue this way with the increased pressure, from environmentalists but from other areas as well, on agriculture we are going to end up having food as a strategic necessity, just as—and allow ourselves to be shorted internationally, just the way we are in energy.

And I don't want to see it come to that, but it is—but we have to agree that the San Joaquin Valley ag economy, which is the backbone of the State's economy, has an inexpensive and reliable water supply. And that can only be met—and I applaud these projects like Madera Ranch. I think that it is a wonderful project, but it is not the only thing that has to happen in order to guarantee that.

In CALFED that was passed recently, environmentalists, urban and ag water users, worked together to pass a bill with unanimous consent in Washington. And I don't think that has ever happened before, not on water, because, as Jim mentioned the Mark Twain comment, it is so controversial. It ended up passing unanimously. In that were four water storage projects, all above Delta, all in Northern California, but still unanimous consent on those.

We were not far enough along to include south of the Delta, San Joaquin water storage project, but now is the time. Increased above-ground storage would be a wonderful supplement to any addition that we can get from groundwater storage.

I think that a perfect compromise is that we are not using instream—in Temperance Flat proposing in-stream water storage. We are going offstream, and that ought to be a great compromise point between ag and urban and water.

Again, I want to thank the panel for being here. You provided a tremendous resource. I think you moved the dialog forward on this issue. I know a number of great comments were made, too, at the rally out in front, and I would ask unanimous consent that speeches from the rally be included in the record. And hearing no objection, so ordered.

Mr. RADANOVICH. And I also would like to make everybody aware that the hearing record will be kept open for 10 business days. If you would like to submit comments, those would be written comments. We will keep the hearing time open for you to be able to do that.

This does end the hearing. I have noticed that there are some wonderful ag products that are being brought here to the Committee to stress the importance of ag and agriculture produce to the economy of the Valley. Those are yours to take home. So treat yourselves to any of the items that are here.

And, again, I also want to express my sincere thanks to Fresno State for providing us this hearing room. It is just terrific.

And, last, I want to thank you for being an incredible audience. A lot of times you spend a lot of time reminding people that there is not an applause meter on these meetings. This is not a rally. This is a public hearing, where the input is valuable and taken into the record. And I really appreciate the crowd here today being polite and listening, and I think we did the cause good.

So, again, thank you very much. And with that, I am going to thank my colleagues as well for being here, and announce this meeting as having been adjourned.

Thank you very much.

[Applause.]

[Whereupon, at 11:40 a.m., the Subcommittee was adjourned.]

